

Weekly Bankruptcy Analysis

July 31-August 6, 2023

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The 9,491 bankruptcy cases filed last week were well above the number of filings during the same week in both 2021 and 2022.

Part of the increase is due to the fact that the last business day of July fell on July 31 this year, while it fell one or two days earlier the last two years.

As a result of the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (BAPCPA), eligibility for relief under chapter 7 is dependent in part on the debtor's current monthly income, which is defined in Section 101 of the Bankruptcy Code as the average monthly income from all sources that the debtor receives (or in a joint case, that the debtor and the debtor's spouse receive), without regard to whether such income is taxable income, derived during the six-month period ending on the last day of the calendar month immediately preceding the date of the commencement of the case. This means that the current monthly income would have to be recalculated if the filing of the case is carried over to a new month. To beat this deadline, there is a spike in filings of chapter 7 cases at the end of each month.

There were 2,107 chapter 7 cases filed on July 31, but less than 1,000 cases filed each day during the rest of the week.

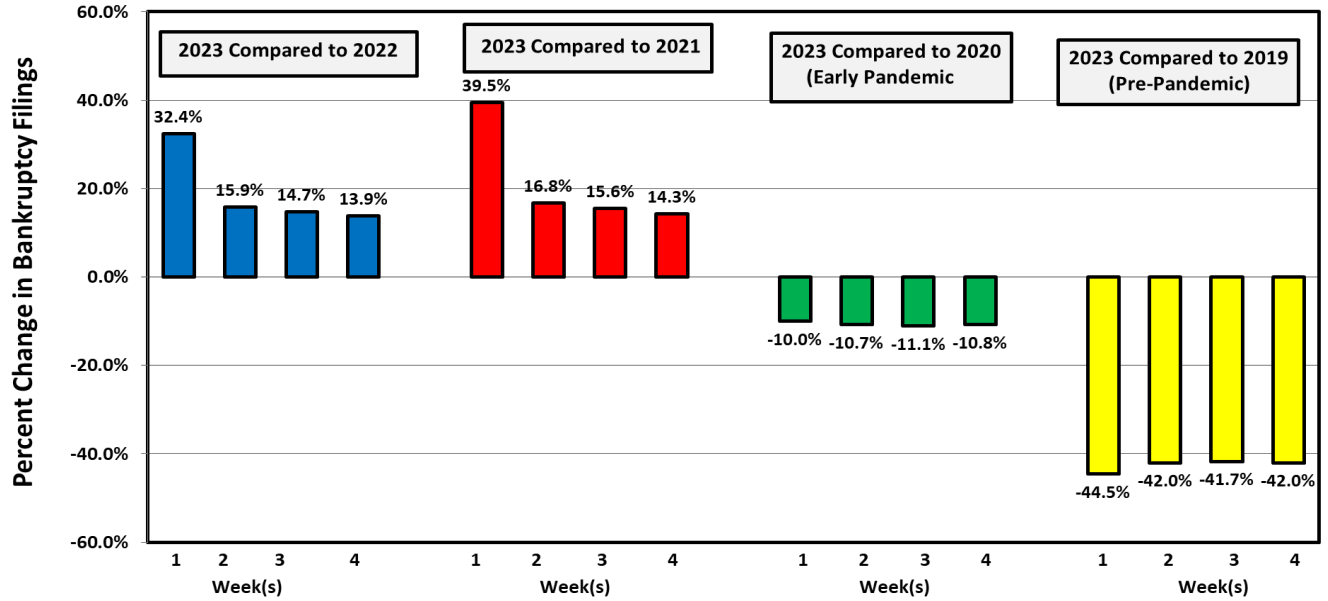
Bankruptcy Filings July 31 - August 6, 2023					
Type of Case	Number Filed	Percent Change From Same Week Last Four Years			
		2023	2022	2021	2020
Total	9,491	32.4%	39.5%	-10.0%	-44.5%
- Chapter 7	5,434	42.0%	18.0%	-29.7%	-45.7%
- Chapter 11	124	22.8%	47.6%	-38.3%	-25.3%
- Chapter 13	3,932	20.7%	86.4%	51.3%	-43.2%
- Other Cases*	1	-50.0%	-83.3%	-94.1%	-90.9%
* Chapters 9, 12 and 15					

¹ Ed Flynn is a consultant with ABI. He previously worked for more than 30 years at the Executive Office for U.S. Trustees and the Administrative Office of the U.S. Courts.

The following charts show recent weekly filing trends by chapter compared to the same week during the last four years.

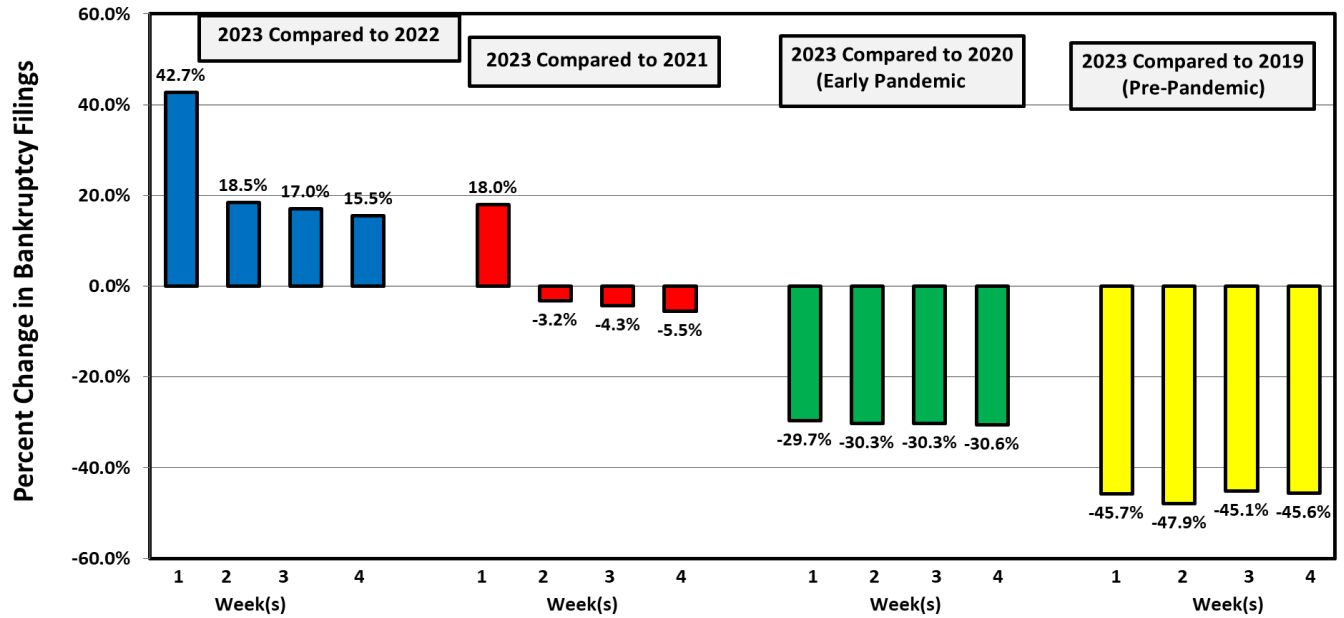
Week Ending
August 6

Bankruptcy Filing Trends (All Chapters) Percent Change From 2022, 2021, 2020 and 2019



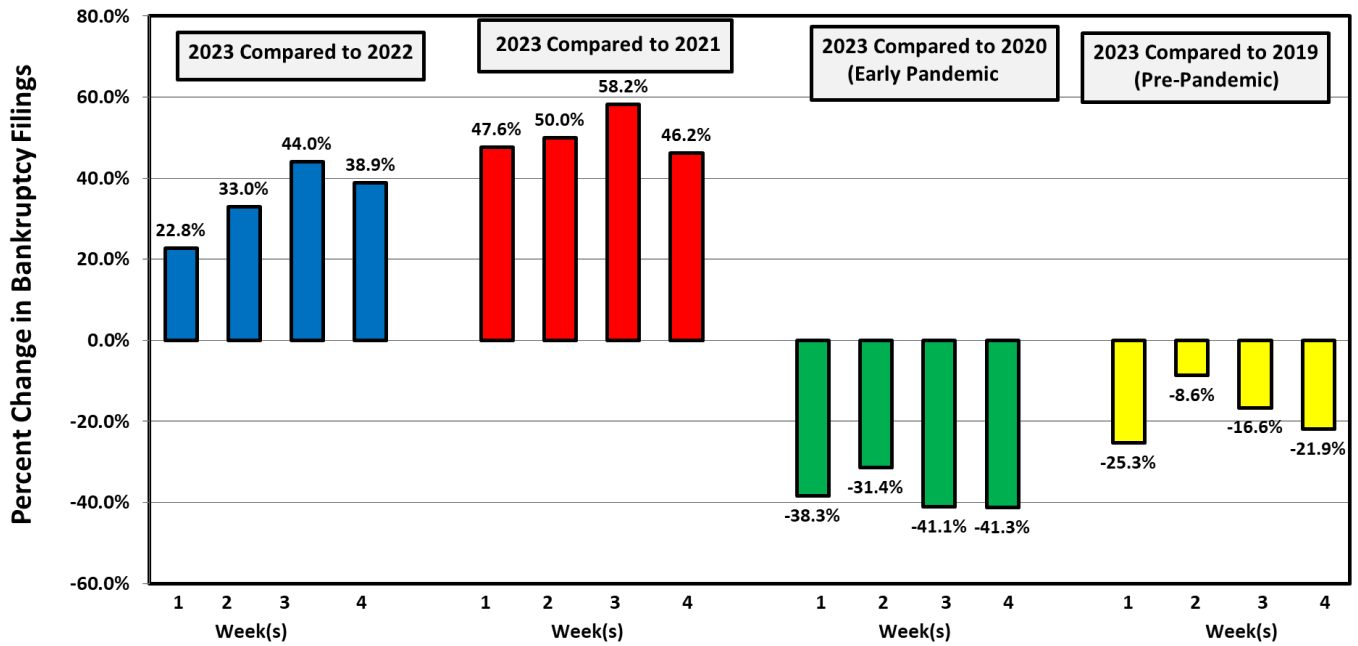
Week Ending
August 6

Chapter 7 Filing Trends Percent Change From 2022, 2021, 2020 and 2019



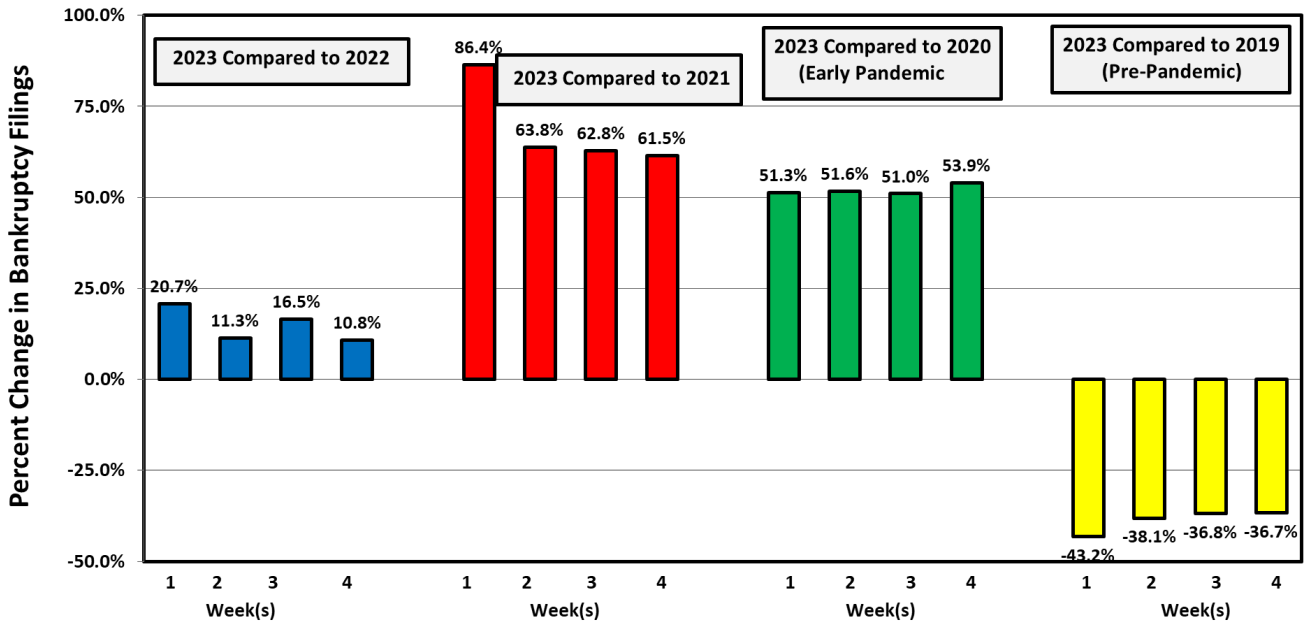
Week Ending
August 6

Chapter 11 Filing Trends Percent Change From 2022, 2021, 2020 and 2019



Week Ending
August 6

Chapter 13 Filing Trends Percent Change From 2022, 2021, 2020 and 2019



Chapter 11 Cases

Chapter 11 filings were also up from the same week during the last two years. So far in 2023, chapter 11 filings are up by 57 percent from last year and 34 percent from 2021.

There were three large or notable cases filed last week, all of which were filed in the District of Delaware. On July 31, aerospace parts-maker AeroCision, LLC filed along with two related entities. Failed Chelsea luxury condominium project 540 West 21st Street Holdco filed on August 2. Finally, Yellow Corp. trucking company filed there on August 6, along with 20 related entities.

Types of Chapter 11 Cases Filed					
	July 31 - August 6				
	2023	2022	2021	2020	2019
Total Filed	124	101	84	201	166
Solo Cases	85	66	72	87	103
Parent Cases	9	7	3	12	9
Child Cases	30	28	9	102	54
Filed By Individuals	20	17	20	36	33
Subchapter V Cases	42	42	30	41	N/A

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