

# Debt restructuring



## Is debt restructuring right for you?

Debt restructuring is for you who cannot pay your debts in the foreseeable future. If you have temporary financial difficulties, you are not eligible for debt restructuring.

Please take our debt restructuring test before applying for debt restructuring. You can also contact the budget and debt adviser in your municipality for support and assistance.

# Debt restructuring — a chance to start over

Debt restructuring means you pay some of your debts over a few years, if you are able. When you're done, you no longer have the debts that were part of the debt restructuring — the idea is for you to become free of debt.

Are you living with debts you can never pay off? Debt restructuring can be a chance for you to solve your financial problems and start over. Those you owe will usually have some of their claims paid at the same time.

There are two types of debt restructuring. In this brochure, you can first read about "ordinary" debt restructuring. At the end, you will get an overview of debt restructuring for entrepreneurs.

## Requirements you must meet

You are eligible for debt restructuring if

- you are so indebted that you will not be able to pay your debts for many years.
- it is reasonable considering your personal and financial situation.
- you have your main interests in Sweden. For example, you live, work, or have debts here.
- you are not under a trading prohibition.

If you have your own business, the company finances must be easy to investigate.


If you have been granted debt restructuring in the past, special reasons are required for you to be granted it again. Then, among other things, we look at

- why you have incurred new debts
- how old the debts are
- if the conditions for you to remain debt free have changed.



### The Enforcement Authority's debt restructuring test

You can take a test to quickly and easily get a preliminary estimate of whether you are eligible for debt restructuring. You can find the test on our website (skuldsaneringstest). You are anonymous and do not provide any personal data.

 [kronofogden.se](https://www.kronofogden.se)



## How to apply

Apply for debt restructuring through our e-service. If you are not able to use the e-service, you can fill out a form instead. The e-service and the form are on our website.

### To remember when applying

When applying for debt restructuring, fill in details on all your debts. You need to fill in details on debts owed to individuals, businesses, and the public sector, such as health care debts, childcare, and housing benefit recovery.

Do not forget

- debts to relatives, friends, and acquaintances
- foreign debts
- tax liabilities and student debts.

If you apply using our e-service, debts registered with us are already filled in. You can also see the debts on My Pages. If you apply using the form, you will need to fill in details on all your debts yourself.

### After submitting your application

When waiting for a decision on debt restructuring, it is important to not incur new debts. Also keep in mind that you must pay your usual costs, such as rent and maintenance for children.



Do you have a digital mailbox? Then you can get mail from us that way – quickly and safely. If you do not have a digital mailbox, there are several to choose from, such as Min myn-dighetspost, Kivra, e-Books, and Digimail.

## We review your application

When you have submitted your application, we assess whether you meet the eligibility requirements for debt restructuring. We look at your total debt – small or large – in relation to what you can pay. Your ability to pay is affected, among other things, by

- the size of your debt
- interest
- your current and future earnings
- your age
- your work capacity and education
- any illness and unemployment
- your maintenance obligation, for example that you have children to support.

We also make an assessment of whether debt restructuring is reasonable. We especially look at

- how and why your debts were incurred
- if you have done what you can to pay your debts
- if you are active and answer questions so we can review your application.

When we process your application for debt restructuring, we consider whether there are children in your household. We do so regardless of whether the children live with you full time.



When a family is under debt restructuring and living on the poverty line, it affects everyone in the family. On our website, there are materials aimed at both children and parents. This can be helpful, for example, if a child has questions and is worried about the family finances.

# On the path to debt restructuring

1. You apply for debt restructuring using our e-service or by completing a form.
2. We investigate whether you meet the eligibility requirements for debt restructuring.

## You receive an initial decision

3. If you meet the requirements in our initial assessment, we make a decision to initiate debt restructuring. This usually leads to a final decision on debt restructuring.
4. Those you owe money (your creditors) get letters from us. The aim is for them to notify their claims.
5. You must start paying now, when you have received the initial decision. How much depends on your ability to pay. It could be that you don't pay anything at all.
6. If you have an attachment on your income, this will cease.
7. You will have a record of non-payment with the credit reporting agencies.
8. We publish the decision to initiate debt restructuring in the Swedish Official Gazette (Sw. Post- och Inrikes Tidningar) on the Swedish Companies Registration Office's website.

## You receive a final decision

9. We continue to investigate your finances. Next, we draft a proposal on the debt restructuring process. You will usually receive the proposal a month or so after the decision to initiate debt restructuring.
10. Your creditors will be allowed to respond to the proposal. Even if one of them says no, we can decide to grant you debt restructuring. They are then able to appeal the decision to the court.
11. Your creditors are given a final decision by us, describing your debt restructuring process.
12. You pay off your debts based on a payment plan, usually over five years. If you are living on the poverty line, you can get a decision without a payment plan. If so, you will not be paying anything towards your debts.

## Shared responsibility for the debt

When you have completed your debt restructuring, your liability to pay goes away. If several people are jointly (jointly and severally) responsible to pay the debt, the others are obligated to pay the remainder.

The same applies when someone guarantees the debt on your behalf. Then that person's liability to pay remains and they must pay the remainder of the debt that you cannot pay.



## How to pay

You pay us a monthly sum, if you can. June and December are always payment-free months. The money we receive, we pay to those you owe money once a year.



## 5 years

Debt restructuring goes on for five years from the decision to initiate debt restructuring, even though your payment plan may be shorter. When the debt restructuring is over, you will no longer have the debts included in your debt restructuring.

## If you are not granted debt restructuring

If you do not meet the requirements, you are not granted debt restructuring. In that case, we explain why and you have the opportunity to appeal our decision to a court.

You may get a no (rejection) on your application both before and after we initiate your debt restructuring.

### Can you reapply?

Even if your application is rejected, you can reapply for debt restructuring. The justification for why you are not awarded debt restructuring can offer you guidance when you reapply. Please contact us if you have any questions about the decision.

## If you are denied, there are other avenues

### Get help

- Dare to talk about your financial problems, find out more, and seek help.
- Contact a budget and debt adviser, if you haven't already. It is free. Contact details can be found on the municipality's website or at [hallakonsument.se](http://hallakonsument.se).
- You are also welcome to contact our customer service.

### Take action

- Make a budget. Can you increase your income or reduce your costs? Feel free to use the Swedish Consumer Agency's budget calculation at [hallakonsument.se](http://hallakonsument.se).
- Pay the most important bills first, for example housing, electricity, and comprehensive household insurance. Fees to unemployment insurance fund (Sw. a-kassa) and the like are also important so as not to worsen the situation. After that, pay what you can on your debts.
- List your debts. Contact people and companies who want to be paid. Ask if you can agree on a repayment plan or better loan conditions, such as making payments on the debt first and paying interest and fees thereafter.



## Reassessment – if your finances change

You can petition us to change your debt restructuring if your finances worsen or improve. We will then assess whether you should pay less, more, or the same amount. We cannot normally change your payment plan if it is a temporary or minor change to your finances.

Your creditors can also petition for

- you to pay more or have an extended payment plan—for up to two years—if your finances have improved, or for
- us to suspend (cancel) your debt restructuring if, for example, you don't pay according to your payment plan. If so, you are left with the same debt as before the debt restructuring—minus what you have paid, but plus interest accrued during the debt restructuring.

## New debts during debt restructuring

It is important that you do not incur new debts even if you have temporary payment problems. A debt you incur during your debt restructuring cannot be added to your debt restructuring.

## After debt restructuring

You have finished your debt restructuring five years after the day we decided to initiate it. This applies even if you have a shorter payment plan.

If your payment plan has been extended, and is longer than five years, the debt restructuring ends on the day you make your last payment.



# Debt restructuring for entrepreneurs

The idea of debt restructuring for entrepreneurs is to encourage you to start a business. If that doesn't work, you should be eligible for debt restructuring and be able to get back on your feet quickly. It is your personal debt that is cleared, not the company's.

You are eligible for debt restructuring for entrepreneurs in the following situations:

- You have previously operated as a sole trader or represented a legal person and a large percentage of your personal debts are from those operations.
- You operate as a sole trader or represent a legal person, such as a limited company or trading partnership. The company is doing well, and your debts are not from the current operations.
- You are closely related to one of these groups. A large percentage of your debts are from the business activities your relative has operated.



You cannot apply for debt restructuring and debt restructuring for entrepreneurs at the same time. Therefore, consider what kind of debt restructuring you want to apply for before submitting your application.

## Two types of debt restructuring

The basic requirements are basically the same, regardless of whether you are applying for debt restructuring or debt restructuring for entrepreneurs. But there are also differences. You can read about the most important differences in the table.

Differences	Debt restructuring	Debt restructuring for entrepreneurs
<b>Who can apply?</b>	Anyone	Entrepreneurs, former entrepreneurs, and relatives of entrepreneurs
<b>How much do you pay?</b>	You pay based on your payment capacity, which may mean you pay nothing at all	You pay based on your payment capacity, but at least one-seventh of the price base amount per quarter
<b>How long is your debt restructuring ongoing?</b>	Five years, but your payment plan may be shorter	Three years
<b>Do you pay every month?</b>	No, not in June and December	Yes
<b>Can you apply to suspend (cancel) your debt restructuring?</b>	No	Yes
<b>What legislation applies?</b>	Debt Restructuring Act (2016:675)	Business Debt Restructuring Act (SFS 2016:676)

Read more at

[kronofogden.se](https://www.kronofogden.se)



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0771-73 73 00 [kronofogden.se](http://kronofogden.se)