



# United States Bankruptcy Courts: Analysis of Caseload Statistics for the 12-Month Period Ending June 30, 2021

September 27, 2021

This Insight provides information and statistics related to filings in the [United States bankruptcy courts](#) for the 12-month period ending June 30, 2021 (this is the most recent reporting period for which data are available). While the Insight provides information and data analysis related to bankruptcy filings statistics, it does not provide legal analysis.

## Number of Filings

For the 12-month period ending June 30, 2021, the overall number of bankruptcy filings fell by 32.2% compared to the 12-month period ending June 30, 2020—declining from 682,363 for the 12-month period ending June 30, 2020, to 462,309 for the subsequent 12-month period ending on June 30, 2021.

Business bankruptcy filings declined by 17.7%, while nonbusiness filings declined by 32.7% (both types of filings are discussed below). Because nonbusiness filings constitute a much larger share of overall bankruptcy filings (e.g., 96% of all bankruptcy filings during the 12-month period ending June 30, 2021, were nonbusiness filings), the overall decline in bankruptcy filings between the two 12-month periods more closely reflected the greater decline in nonbusiness filings.

The [Administrative Office of U.S. Courts \(AO\)](#) reported that the total number of filings (462,309) for the 12-month period that ended on June 30, 2021, was the lowest for any of its 12-month reporting periods since 1985 (data are reported quarterly each year on March 31, June 30, September 30, and December 31).

The 12-month period ending June 30, 2021, occurred entirely after the [presidential proclamation on March 13, 2020](#), that declared Coronavirus Disease 2019 (COVID-19) a national emergency. However, as shown by the data above, the period did not reflect an increase in either business or nonbusiness bankruptcy filings as a consequence of COVID-19.

The AO has [noted](#) that bankruptcy filings “fell sharply in the early months of the pandemic, starting in March 2020, when many courts offered limited access to the public.” For example, according to data

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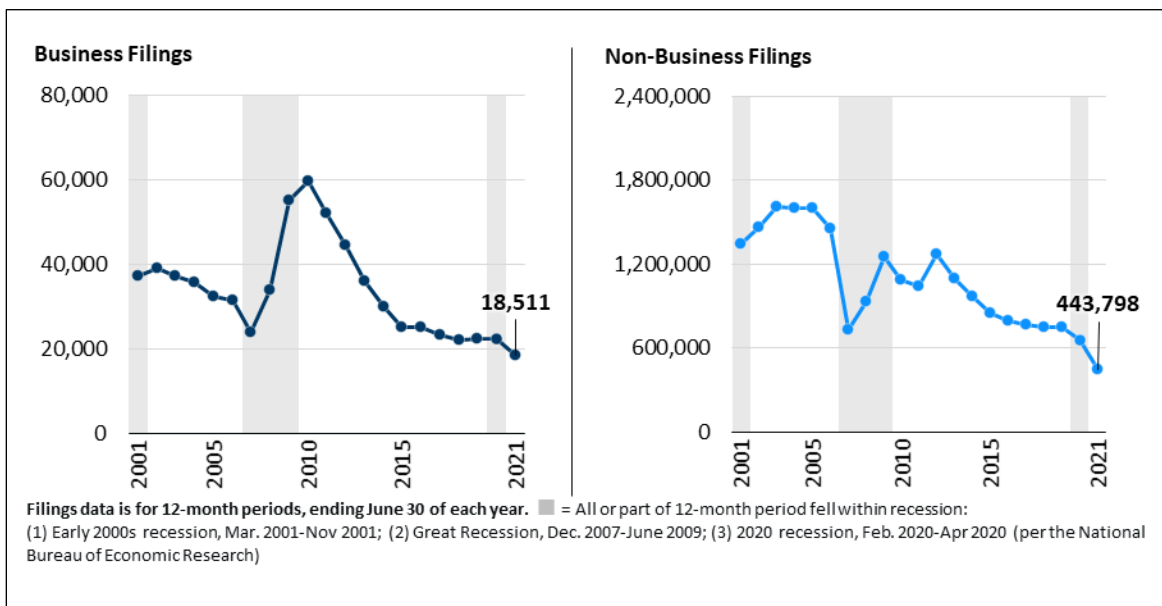
evaluated by CRS, in April 2020 there were 38,032 nonbusiness bankruptcy filings—a 47% decline from the 71,267 filings in April 2019 (pre-pandemic). Additionally, in April 2020 there were 1,553 business bankruptcy filings—a 22% decline from the 1,990 filings in April 2019.

The bankruptcy filings data for the 12-month period ending June 30, 2021, may also reflect, *in part*, the impact of government assistance during the pandemic. For example, “the CARES Act, the Paycheck Protection Program (PPP), the Main Street Lending Program, and the extension of unemployment insurance *may have helped keep businesses afloat* and out of bankruptcy.”

Despite the decline in bankruptcy filings, there could be a future increase in business and nonbusiness bankruptcy filings as a result of the COVID-19 pandemic. AO, for example, *states* that some “bankruptcy filings can lag behind other economic indicators,” and that “following the Great Recession, which began in 2007, new [nonbusiness] filings escalated until they peaked in 2010.”

The two figures below represent CRS compilation of data provided by the Administrative Office of U.S. Courts.

**Figure I. Number of Business and Nonbusiness Bankruptcy Filings**  
(For 12-month periods ending on June 30 from 2001 to 2021)



### Business Filings

For the 12-month period ending June 30, 2021, the overall number of business bankruptcy filings declined by 17.7% compared to the 12-month period ending June 30, 2020—decreasing from 22,482 filings to 18,511.

Additionally, for the 12-month period ending June 30, 2021, business bankruptcy filings declined across each of the three main bankruptcy chapters compared to the 12-month period ending June 30, 2020. Specifically, business filings declined by 22.0% under Chapter 7, by 6.5% under Chapter 11, and by 33.2% under Chapter 13. Each of these chapters is discussed below in greater detail.

## Nonbusiness Filings

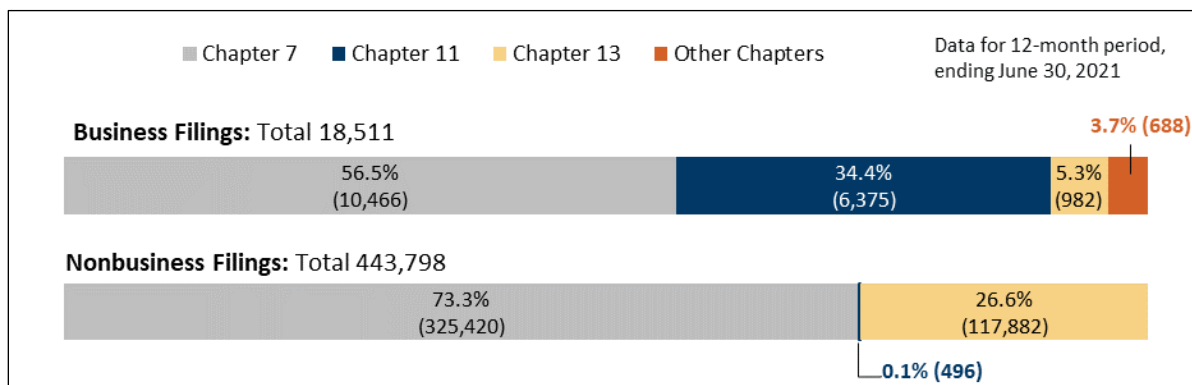
For the 12-month period ending June 30, 2021, the number of nonbusiness filings fell by 32.7% compared to the 12-month period ending June 30, 2020—declining from 659,881 to 443,798.

Additionally, for the 12-month period ending June 30, 2021, nonbusiness bankruptcy filings declined across each of the three main bankruptcy chapters compared to the 12-month period ending June 30, 2020. Specifically, nonbusiness filings declined by 23.2% under [Chapter 7](#), by 33.8% under [Chapter 11](#), and by 50.0% under [Chapter 13](#).

## Filings by Bankruptcy Chapter (for the 12-Month Period Ending June 30, 2021)

**Figure 2** provides, for the 12-month period ending June 30, 2021, the number and percentage of business and nonbusiness filings that were filed under each chapter of the Bankruptcy Code. For both business and nonbusiness filings, [Chapter 7](#) was the most common chapter used by [debtors](#) during this period (comprising 56.5% of business filings and 73.3% of nonbusiness filings). Under Chapter 7, any assets of a debtor not exempt from [creditors](#) are [reduced to money](#) and the proceeds are distributed to creditors. A consumer who files under Chapter 7 can receive complete discharge of his or her debt (except for certain debts prohibited from discharge by the Bankruptcy Code).

**Figure 2. Filings by Bankruptcy Chapter**  
(For 12-month period ending June 30, 2021)



For business filings, [Chapter 11](#) was the second most common bankruptcy chapter—representing 34.4% of all filings. Under [Chapter 11](#), an individual or, more typically, a business reorganizes its debt while continuing its operations. The third most common chapter for business filings, [Chapter 13](#) (representing 5.3% of all filings) can be used [when](#) an individual is the [sole proprietor](#) of a business.

For nonbusiness filings, [Chapter 13](#) was the second most common bankruptcy chapter—representing 26.6% of all filings during the 12-month period ending June 30, 2021. [Chapter 13](#) (sometimes called “wage-earner bankruptcy”) is typically used by an individual consumer to reorganize his or her finances and to adopt a repayment plan that is required to be completed within three to five years.

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