Table of Contents

Volume 1

CHAPTER 1. INTRODUCTION TO BANKRUPTCY LAW AND CHAPTER 13 . . . 1

§ 1:1 Introduction to Chapter 13
§ 1:2 A brief history of the development of modern bankruptcy law
§ 1:3 Origins of Chapter 13: compositions and Chapter XIII under the 1898 Bankruptcy Act
§ 1:4 Enactment of the Bankruptcy Code by the Bankruptcy Reform Act of 1978
§ 1:5 Enactment of Chapter 13 and amendments

CHAPTER 2. THE FINANCIALLY DISTRESSED INDIVIDUAL AND BANKRUPTCY ALTERNATIVES 33

§ 2:1 Understanding and assessing a financially distressed individual's circumstances and objectives
§ 2:2 Overview of the Chapter 7 alternative to Chapter 13
§ 2:3 Overview of Chapter 13
§ 2:4 Availability of relief for individual under Chapter 11 or Chapter 12
§ 2:5 Evaluation of debtor's Chapter 7 and Chapter 13 alternatives
§ 2:6 Importance to debtor of accurate assessment of assets, liabilities, and ability to make payments

CHAPTER 3. BASIC CONCEPTS OF THE CHAPTER 13 PLAN AND THE PLAN PROCESS 105

§ 3:1 Introduction to the Chapter 13 plan
§ 3:2 Summary of types of claims and requirements for their treatment under a Chapter 13 plan
§ 3:3 Requirement for use of Official Form 113 or Local Form and mandatory requirements for Local Form
§ 3:4 Form of the Chapter 13 Plan—Official Form 113
§ 3:5 Development of Bankruptcy Rules requiring Official Form 113 or Local Form for Chapter 13 plan
§ 3:6 Overview of the Chapter 13 process

§ 3:7 An illustration of treatment of claims in a Chapter 13 plan

CHAPTER 4. GENERALLY APPLICABLE PLAN AND CONFIRMATION REQUIREMENTS 141

I. INTRODUCTION TO GENERALLY APPLICABLE PLAN AND CONFIRMATION REQUIREMENTS

§ 4:1 Overview of plan and confirmation requirements

II. FUNDAMENTAL REQUIREMENTS FOR PROVISIONS OF PLAN

A. PLAN PROVISIONS FOR FUNDING OF PLAN—§§ 1322(A)(1), (B)(8), AND (D) AND 1326(A)(1)

§ 4:2 Submission of future earnings or income to the trustee—§ 1322(a)(1)
§ 4:3 Sale of assets to provide funding for plan
§ 4:4 Transfer or surrender of asset to creditor in lieu of funding claim
§ 4:5 Other sources of funding—Loans or refinancing
§ 4:6 Funding of plan when property of the estate includes a debtor's nonbankruptcy cause of action or a trustee avoidance action
§ 4:7 When debtor must commence payments under plan—§ 1326(a)(1)
§ 4:8 Extension of the time for debtor to commence payments
§ 4:9 Maximum duration of plan
§ 4:10 Method of distributing payments to creditors

B. MANDATORY AND PERMISSIVE PROVISIONS OF PLAN FOR TREATMENT OF CLAIMS—§§ 1322(A)(2) AND (4) AND 1326(B)

§ 4:11 Mandatory provisions for full payment of priority claims and trustee fees—§§ 1322(a)(2) and (4) and 1326(b)(2)
§ 4:12 Mandatory requirement for same treatment of claims in same class
§ 4:13 Mandatory provisions relating to repayment of loans from retirement plans—§ 1322(f)
§ 4:14 Permissible provisions for treatment of claims in general
§ 4:15 Plan provisions "not inconsistent" with Chapter 13—§ 1322(b)(11)

§ 4:16 Provisions altering effect of confirmation or discharge—Obligations of codebtor
§ 4:17 Plan provisions dealing with dischargeability of debts excepted from discharge
§ 4:18 Order of payment of claims

C. PLAN PROVISIONS REGARDING THE VESTING OF PROPERTY OF THE ESTATE—§ 1327

§ 4:19 Vesting of property of the estate
§ 4:20 Vesting of property when plan transfers property to a creditor in full or partial satisfaction of claim
§ 4:21 Vesting provisions and cancellation of liens on encumbered property
§ 4:22 Relationship of vesting of property of the estate and the automatic stay
§ 4:23 Vesting provisions when plan provides for sale of property or prosecution of avoidance actions

III. FUNDAMENTAL CONFIRMATION REQUIREMENTS

A. GENERAL CONFIRMATION REQUIREMENTS

§ 4:24 Confirmation requirements generally—§ 1325
§ 4:25 Compliance with Chapter 13 and the Bankruptcy Code—§ 1325(a)(1)
§ 4:26 Payment of required fees—§ 1325(a)(2)
§ 4:27 Feasibility—§ 1325(a)(6)
§ 4:28 Payment of postpetition domestic support obligations—§ 1325(a)(8)
§ 4:29 Filing of tax returns—§ 1325(a)(9)

B. GOOD FAITH REQUIREMENTS—§ 1325(a)(3) AND (7)

§ 4:30 Introduction to the good faith requirements for confirmation
§ 4:31 Development of the "totality of the circumstances" test for good faith
§ 4:32 The "totality of the circumstances" test for good faith
§ 4:33 Application of specific factors in the "totality of the circumstances" test of good faith; distinction between process and content objections
§ 4:34 Debtor's ability to pay more than projected disposable income test requires as a good faith factor
§ 4:35 Discharge of a debt nondischargeable in Chapter 7 case or inability to obtain discharge in current case as a good faith factor

§ 4:36 Prevention of foreclosure or collection activity as a good faith factor
§ 4:37 Use of Chapter 13 for litigation or strategic advantage as a good faith factor
§ 4:38 Prefiling misconduct and lifestyle as good faith factors
§ 4:39 Successive filings as a good faith factor
§ 4:40 Good faith in filing petition—§ 1325(a)(7)
§ 4:41 Practice and procedure with regard to good faith requirements

CHAPTER 5. PLAN AND CONFIRMATION REQUIREMENTS: TREATMENT OF SECURED CLAIMS AND EXECUTORY CONTRACTS AND UNEXPIRED LEASES 289

I. INTRODUCTION TO SECURED CLAIMS AND EXECUTORY CONTRACTS AND UNEXPIRED LEASES IN CHAPTER 13 CASES

§ 5:1 Overview of secured claims in Chapter 13 cases
§ 5:2 Overview of assumption, assignment, or rejection of executory contracts and unexpired leases in Chapter 13 cases

II. DETERMINATION OF SECURED CLAIM

§ 5:3 Secured claims generally
§ 5:4 Existence of lien under nonbankruptcy law
§ 5:5 Amount of allowed secured claim: the bifurcation principle and "lien-stripping" in Chapter 13 cases
§ 5:6 Valuation of encumbered property
§ 5:7 Elimination or reduction of secured claim through avoidance of lien

III. NON-CRAMDOWN METHODS FOR TREATMENT OF SECURED CLAIM

§ 5:8 Acceptance of plan by secured creditor
§ 5:9 Surrender of encumbered property as treatment of secured claim

IV. TREATMENT OF SECURED CLAIM BY MODIFICATION UNDER § 1322(b)(2) AND CRAMDOWN UNDER § 1325(a)(5)(B)

A. GENERALLY APPLICABLE MODIFICATION AND CRAMDOWN PRINCIPLES

§ 5:10 Overview of § 1322(b)(2) modification and § 1325(a)(5)(B) cramdown principles
§ 5:11 Secured creditor must retain lien
§ 5:12 Payment of value of secured claim—Interest
§ 5:13 Payments on claim modified under § 1322(b)(2) must be completed within term of plan

B. TREATMENT OF MODIFIED SECURED CLAIM WITH PERIODIC PAYMENTS

§ 5:14 Introduction to requirements for periodic payments on secured claim
§ 5:15 Periodic payments must provide adequate protection to holder of claim secured by personal property
§ 5:16 Requirement of preconfirmation adequate protection for claim secured by purchase money security interest in personal property—§ 1326(a)(1)(C)
§ 5:17 Periodic payments must be in equal monthly amounts

C. TREATMENT OF MODIFIED SECURED CLAIM OTHER THAN THROUGH PERIODIC PAYMENTS

§ 5:18 Treatment of secured claim through sale or refinancing of encumbered property; "balloon" payments under a plan
§ 5:19 Transfer of encumbered property as treatment of secured claim; determination of unsecured deficiency claim upon surrender or transfer; partial transfer or surrender; valuation of relinquished property and effects on creditor's claim

D. APPLICATION OF THE "HANGING PARAGRAPH" AND ITS EFFECTS

§ 5:20 Introduction to the "hanging paragraph"
§ 5:21 Effects of hanging paragraph on secured claim, interest, and adequate protection
§ 5:22 Requirement of purchase money security interest for application of hanging paragraph
§ 5:23 Requirement of debtor's acquisition of motor vehicle for personal use for application of hanging paragraph
§ 5:24 Effect of hanging paragraph when plan provides for

surrender or transfer of collateral; allowance of unsecured deficiency claim

V. CURE OF DEFAULTS AND MAINTENANCE OF PAYMENTS UNDER § 1322(b)(3) AND (5)

A. OPERATION OF CURE PROVISIONS OF § 1322(b)(3) AND (5)

§ 5:25 Overview of cure provisions
§ 5:26 Modification and "strip down" not permitted under cure provisions
§ 5:27 Use of cure provisions in connection with modification provisions to "strip down" undersecured claim
§ 5:28 Effect of cure under cure provisions
§ 5:29 What constitutes cure amount; postconfirmation charges and payments; procedures to determine whether cure amount has been paid
§ 5:30 Requirement for payment of interest on cure amount
§ 5:31 Plan provisions for timing and amount of payments to cure defaults
§ 5:32 Payment of maintenance payments by debtor or trustee

B. WHEN CURE IS AVAILABLE OR AN IMPERMISSIBLE MODIFICATION OF CLAIM

1. Effect of Acceleration of Debt or Foreclosure Proceeding on Cure Rights

§ 5:33 Use of cure provisions to deaccelerate debt
§ 5:34 Effect of foreclosure proceeding on cure rights

2. Availability of Right to Cure in Absence of Personal Liability or After Acquisition of Collateral in Violation of Restrictions on Transfer or Due on Sale Provisions

§ 5:35 Introduction to availability of right to cure in absence of personal liability or after acquisition of property in violation of contractual provisions
§ 5:36 Use of cure provisions after debtor's discharge of debt in prior case ("Chapter 20" cases)
§ 5:37 Ability to cure in absence of personal liability on debt
§ 5:38 Ability to cure after acquisition of property in violation of restriction on transfer or due on sale provision

VI. TREATMENT OF CLAIM SECURED ONLY BY DEBTOR'S PRINCIPAL RESIDENCE

§ 5:39 Prohibition in § 1322(b)(2) on modification of protected mortgage

§ 5:40 Plan cannot "strip down" but can "strip off" protected mortgage
§ 5:41 Exception in § 1322(c)(2) to antimodification for residential mortgage claim on which last payment under original payment schedule is due prior to last payment under plan
§ 5:42 Determination of whether claim is secured only by debtor's principal residence

VII. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

§ 5:43 Assumption, assignment, and rejection of executory contracts and unexpired leases in general
§ 5:44 Determination of what is an executory contract or unexpired lease
§ 5:45 Time for assumption or rejection of executory contract or unexpired lease
§ 5:46 Requirements for assumption, assignment, or rejection of executory contract or unexpired lease in Chapter 13 cases; required performance prior to assumption or rejection
§ 5:47 Treatment of "rent-to-own" contracts

CHAPTER 6. PLAN AND CONFIRMATION REQUIREMENTS: TREATMENT OF ADMINISTRATIVE EXPENSES AND PRIORITY CLAIMS 561

I. REQUIREMENTS FOR TREATMENT OF ADMINISTRATIVE EXPENSES AND PRIORITY CLAIMS

§ 6:1 Overview of administrative expense and priority claims
§ 6:2 General rule of § 1322(a)(2) requiring full payment of priority claims
§ 6:3 Requirements for filing of proof of priority claim or request for payment of administrative expense
§ 6:4 Postpetition interest on priority claims
§ 6:5 Order and timing of payment of administrative expenses and other priority claims under plan; payment of debtor's attorney's fees

II. TYPES OF ADMINISTRATIVE EXPENSE CLAIMS

§ 6:6 Administrative expense claims generally
§ 6:7 Fees of Chapter 13 trustee and debtor's attorney

§ 6:8 Unpaid administrative expenses in case prior to conversion to Chapter 13
§ 6:9 Claims for failure of adequate protection
§ 6:10 Claims for postpetition rent or damages from postconfirmation breach of assumed executory contract or unexpired lease

III. TYPES OF PRIORITY CLAIMS

A. PRIORITY CLAIMS GENERALLY

§ 6:11 Claims entitled to priority under § 507(a)
§ 6:12 Subrogation or assignment of priority claims

B. DOMESTIC SUPPORT OBLIGATIONS AS PRIORITY CLAIMS

§ 6:13 Priority of domestic support obligations; exception to full payment requirement for certain claims held by governmental unit
§ 6:14 Definition of "domestic support obligation" in § 101(14A) that is entitled to priority under § 507(a)(1)
§ 6:15 Postpetition interest on claim for domestic support obligation

C. PRIORITY TAX CLAIMS

§ 6:16 Priority tax claims generally
§ 6:17 Dealing with dischargeability issues related to tax claims in Chapter 13 case
§ 6:18 Income and gross receipts taxes entitled to priority
§ 6:19 Property taxes entitled to priority
§ 6:20 Priority of taxes required to be collected or withheld in any capacity
§ 6:21 Employment taxes entitled to priority
§ 6:22 Excise taxes entitled to priority
§ 6:23 Customs duties entitled to priority
§ 6:24 When penalties related to tax have priority
§ 6:25 Suspension of time periods applicable to priority of tax claims
§ 6:26 Determination of priority and nonpriority status of claims secured by tax liens

D. OTHER PRIORITY CLAIMS

§ 6:27 Other priority claims

CHAPTER 7. PLAN AND CONFIRMATION REQUIREMENTS: TREATMENT OF HOLDERS OF UNSECURED CLAIMS 661

I. REQUIREMENTS FOR TREATMENT OF UNSECURED CLAIMS

§ 7:1 Overview of treatment of unsecured claims
§ 7:2 Modification of rights of unsecured creditors under § 1322(b)(2); "percentage" and "base" plans compared
§ 7:3 Timing of payments to holders of modified unsecured claims
§ 7:4 Cure and reinstatement of long-term unsecured debt—§ 1322(b)(5)
§ 7:5 Payment of interest on nondischargeable debt

II. THE "BEST INTEREST OF CREDITORS" TEST—§ 1325(a)(4)

§ 7:6 Overview of the "best interest of creditors" test
§ 7:7 Determination of what unsecured creditor would receive in hypothetical Chapter 7 liquidation
§ 7:8 Determination of value of distributions under plan
§ 7:9 Determination of "effective date of the plan"

III. CLASSIFICATION OF UNSECURED CLAIMS AND UNFAIR DISCRIMINATION

§ 7:10 Classification and unfair discrimination generally
§ 7:11 Different treatment of cosigned debts
§ 7:12 Different treatment of student loans
§ 7:13 Criminal restitution, fines, and bad checks
§ 7:14 Separate classification of other unsecured claims

CHAPTER 8. PLAN AND CONFIRMATION REQUIREMENTS: PROJECTED DISPOSABLE INCOME TEST 743

I. THE PROJECTED DISPOSABLE INCOME TEST AND ITS RELATIONSHIP TO THE CHAPTER 7 "MEANS TEST"

A. OPERATION OF THE PROJECTED DISPOSABLE INCOME TEST

§ 8:1 General description and applicability of the projected disposable income test
§ 8:2 The projected disposable income test prior to BAPCPA

§ 8:3 The statutory language of the projected disposable income test post-BAPCPA

B. OVERVIEW OF THE CHAPTER 7 MEANS TEST AND ITS RELATIONSHIP TO CHAPTER 13 CASES

§ 8:4 Relevance of Chapter 7 means testing to Chapter 13 practice
§ 8:5 General operation of the means test
§ 8:6 Determination of income (and other receipts) and expenditures under the means test
§ 8:7 Comparison of calculations under means test and projected disposable income test

II. FUNDAMENTAL CONCEPTS RELATING TO THE PROJECTED DISPOSABLE INCOME AND MEANS TESTS

A. CURRENT MONTHLY INCOME

§ 8:8 The role of current monthly income in application of means test and projected disposable income test
§ 8:9 Statutory definition of current monthly income
§ 8:10 Sources of and exclusions from current monthly income
§ 8:11 Amount of current monthly income arising from business or from sale of asset

B. MEDIAN INCOME PROVISIONS

§ 8:12 Determination and relevance of whether debtor's current monthly income is above or below state median
§ 8:13 Determination of household for purpose of comparison to median income

C. DEBTOR'S REQUIRED DISCLOSURES AND CALCULATIONS OF INCOME AND EXPENDITURES

§ 8:14 Income and expenditures at time of filing: Schedules I and J
§ 8:15 Income and expenditures for means test and disposable income calculations: Official Forms 122A and 122C
§ 8:16 Differences in calculations under Schedules I and J and Official Forms 122C-1 and 122C-2

D. EFFECT OF TIME OF FILING PETITION ON DETERMINATIONS UNDER THE PROJECTED DISPOSABLE INCOME AND MEANS TESTS

§ 8:17 Effect of time of filing on amounts of current monthly income and deductible expenditures

§ 8:18 Effect of time of filing on size of household, applicable level of state median income, and amounts of deductions

III. DETERMINATION OF PROJECTED DISPOSABLE INCOME

A. APPROACHES TO DETERMINATION OF PROJECTED DISPOSABLE INCOME

§ 8:19 The problem of differing calculations of available income to pay unsecured creditors

§ 8:20 Approaches to determination of income component of PDI: historical or forward-looking; *Hamilton v. Lanning*

§ 8:21 Determination of changed circumstances and calculation of projected disposable income under *Hamilton v. Lanning*

B. GENERAL ISSUES AFFECTING DETERMINATION OF PROJECTED DISPOSABLE INCOME

§ 8:22 Postpetition tax refunds and bonuses as part of projected disposable income

§ 8:23 "Step" increases in plan payments based on change in projected disposable income upon satisfaction of short-term obligation

§ 8:24 Applicability of good faith requirement to increase payment to unsecured creditors beyond projected disposable income

IV. DETERMINATION OF DISPOSABLE INCOME

A. COMPONENTS OF DISPOSABLE INCOME

§ 8:25 Components of disposable income generally

§ 8:26 Income component of disposable income: current monthly income less exclusions

§ 8:27 Expenditure component of disposable income: method of calculating expenditures based on comparison of debtor's current monthly income to applicable median income

B. DETERMINATION OF REASONABLY NECESSARY EXPENDITURES OF BELOW-MEDIAN DEBTOR

§ 8:28 Below-median debtor's expenditures for living expenses
§ 8:29 Below-median debtor's expenditures for payment of secured and priority claims

C. DETERMINATION OF REASONABLY NECESSARY EXPENDITURES OF ABOVE-MEDIAN DEBTOR

1. Application of the Means Test Standards to Above-median Debtor Generally

§ 8:30 Applicability of means test standards to above-median debtor
§ 8:31 IRS Collection Financial Standards generally
§ 8:32 Number in debtor's family for purposes of determining expenditures under National and Local Standards
§ 8:33 Amount of permissible deduction when actual expenditure differs from the permitted allowance under IRS Collection Financial Standards
§ 8:34 Business expenses of above-median debtor

2. Expenditures Allowed Under IRS National Standards

§ 8:35 General rule regarding IRS National Standards and permitted variations
§ 8:36 IRS National Standards: food, clothing, household, personal care, and other expenses
§ 8:37 IRS National Standards: out-of-pocket health care expenses

3. Expenditures Allowed Under IRS Local Standards

§ 8:38 General rule regarding IRS Local Standards and permitted variations
§ 8:39 IRS Local Standards: housing and utilities
§ 8:40 IRS Local Standards: transportation (vehicle ownership and operating costs)

4. Expenditures Allowed As "Other Necessary Expenses"

§ 8:41 General rules for deducting "Other Necessary Expenses"
§ 8:42 Deduction for taxes and treatment of tax refunds
§ 8:43 Involuntary deductions required for employment

§ 8:44 Deduction for life insurance premiums
§ 8:45 Court-ordered payments (alimony and child support)
§ 8:46 Child-care expenses; expenses for education for employment or for physically or mentally challenged child
§ 8:47 Deductions for additional health care expenses
§ 8:48 Telecommunication and internet expenses

5. Additional Statutorily Permitted Expenditures Other Than Debts

§ 8:49 Health insurance, disability insurance, and health savings accounts
§ 8:50 Charitable contributions
§ 8:51 Continued contributions to the care and support of elderly, chronically ill, or disabled person in the debtor's family or household 1
§ 8:52 Qualified retirement plan contributions and repayment of retirement plan loans
§ 8:53 Educational expenses for minor child
§ 8:54 Other permitted expenditures

6. Deductions With Regard to Secured Debts

§ 8:55 Introduction to deduction for payments on secured debts; pre-BAPCPA treatment of payments on secured debt
§ 8:56 Secured debt deduction: contractually scheduled payments and cure amounts to maintain possession of primary residence, motor vehicle, or other property necessary for support
§ 8:57 Extent of deduction when secured claim is reduced or eliminated through valuation or lien avoidance
§ 8:58 Effect of surrender of collateral on allowance of deduction for secured debts
§ 8:59 Allowance of deduction when claim is secured by "luxury item" or property not reasonably necessary for support of debtor or dependents

7. Deductions With Regard to Payment of Priority and Administrative Claims

§ 8:60 Deduction for priority claims
§ 8:61 Deduction for administrative expenses
§ 8:62 Deduction for debtor's attorney's fees

D. ADJUSTMENTS TO DISPOSABLE INCOME BASED ON SPECIAL CIRCUMSTANCES

§ 8:63 Availability of adjustment to disposable income based on special circumstances

§ 8:64 What constitutes special circumstances

V. THE APPLICABLE COMMITMENT PERIOD

§ 8:65 Definition of applicable commitment period
§ 8:66 "Temporal" and "monetary" approaches to applicable commitment period
§ 8:67 Length of applicable commitment period in absence of projected disposable income

VI. PAYMENT OF PROJECTED DISPOSABLE INCOME TO UNSECURED CREDITORS

§ 8:68 Timing of payment of projected disposable income
§ 8:69 Allocation of projected disposable income among unsecured creditors

VII. EFFECT OF INCOME AND EXPENDITURES OF NONFILING SPOUSE ON DETERMINATION OF CURRENT MONTHLY INCOME AND APPLICATION OF PROJECTED DISPOSABLE INCOME TEST

§ 8:70 Determination of debtor's current monthly income and expenditures when spouse is not a debtor
§ 8:71 Inclusion of income of nonfiling spouse in connection with determination of applicable commitment period

CHAPTER 9. CONFIRMATION PROCEDURES; PRECONFIRMATION MODIFICATION OF PLAN; REVOCATION OF CONFIRMATION 1073

§ 9:1 Filing of plan; summary of confirmation process
§ 9:2 Generally applicable requirements for notice in the confirmation process
§ 9:3 Procedures for litigation of objections to confirmation and related proceedings
§ 9:4 Requirement of additional procedures or notice in connection with confirmation
§ 9:5 Objections to confirmation; court's independent duty to determine whether plan meets confirmation requirements
§ 9:6 Preconfirmation modification of plan
§ 9:7 Confirmation hearing; evidentiary matters
§ 9:8 Postconfirmation motions for relief from confirmation order
§ 9:9 Revocation of confirmation

CHAPTER 10. EFFECT OF CONFIRMATION 1129

I. EFFECT OF CONFIRMATION IN GENERAL

§ 10:1 Effect of confirmation generally
§ 10:2 General rule of finality of confirmation order under § 1327(a) and applicability of principles of claim preclusion (res judicata)
§ 10:3 Due process limits on preclusive effect of confirmation order
§ 10:4 Limitation on preclusive effect of confirmation order based on requirement of adversary or other proceeding in addition to confirmation process

II. EFFECT OF CONFIRMATION WITH REGARD TO PARTICULAR ISSUES

§ 10:5 Effect of confirmation on amount of claim; postconfirmation objections to claims
§ 10:6 Effect of confirmation with regard to treatment of secured claims
§ 10:7 Effect of confirmation on creditor's postconfirmation foreclosure, repossession, or other collection activity; postconfirmation adequate protection
§ 10:8 Effect of confirmation of plan that violates mandatory plan requirement
§ 10:9 Effect of confirmation on plan provision for discharge of potentially nondischargeable debt
§ 10:10 Effect of confirmation on debtor's rights

III. VESTING OF PROPERTY OF ESTATE IN DEBTOR; VESTING FREE AND CLEAR OF CLAIM OR INTEREST

§ 10:11 General statutory rule of vesting and its significance
§ 10:12 Approaches to vesting of property of the estate at confirmation under § 1327(b); effects of choice of vesting rule on postconfirmation collection activity and postconfirmation modification issues
§ 10:13 Vesting free and clear of claims and interests—§ 1327(c)

CHAPTER 11. POSTCONFIRMATION MODIFICATION OF PLAN 1203

I. GENERAL PRINCIPLES RELATING TO POSTCONFIRMATION MODIFICATION

§ 11:1 Introduction to postconfirmation modification under § 1329 and statutory background

§ 11:2 Modification in general—Operation of § 1329
§ 11:3 Whether postconfirmation modification requires change in circumstances
§ 11:4 Standard for modification: discretion and ability-to-pay policy
§ 11:5 Postconfirmation modification procedure

II. REQUIREMENTS FOR POSTCONFIRMATION MODIFICATION UNDER § 1329

§ 11:6 Types of permissible modification under § 1329
§ 11:7 Applicability of plan content and confirmation requirements to postconfirmation modification under § 1329(b)(1)
§ 11:8 Applicability of good faith requirement of § 1325(a)(3) to postconfirmation modification
§ 11:9 Applicability of "best interest of creditors" test of § 1325(a)(4) to postconfirmation modification
§ 11:10 Applicability of feasibility requirement of § 1325(a)(6) to postconfirmation modification
§ 11:11 Limits on duration of modified plan under § 1329(c)

III. COMMON POSTCONFIRMATION MODIFICATION SITUATIONS

A. POSTCONFIRMATION MODIFICATIONS DEALING WITH PLAN PAYMENTS

§ 11:12 Modification based on changes in income; applicability of projected disposable income test to modification; modification to change applicable commitment period
§ 11:13 Early pay-off of plan; modification based on changes in value of property or postconfirmation acquisition of property
§ 11:14 Postconfirmation modification based on reduction in allowed amounts of claims
§ 11:15 Postconfirmation modification to deal with defaults in plan payments

B. POSTCONFIRMATION MODIFICATIONS DEALING WITH SECURED CLAIMS

§ 11:16 Postconfirmation modification of secured claim due to surrender, repossession, or loss of encumbered property
§ 11:17 Postconfirmation modification to change treatment of secured claim
§ 11:18 Modification to cure defaults in postconfirmation maintenance payments on long-term obligation under § 1322(b)(5)

CHAPTER 12. ELIGIBILITY OF DEBTOR FOR RELIEF UNDER CHAPTER 13..... 1307

I. ELIGIBILITY OF DEBTOR IN GENERAL

§ 12:1 Overview of debtor's eligibility
§ 12:2 Consequences of filing by ineligible debtor; waiver of ineligibility
§ 12:3 Objections to Chapter 13 relief based on eligibility

II. REQUIREMENT OF PREPETITION CREDIT BRIEFING—§ 109(h)

§ 12:4 Requirement of prepetition credit briefing and exceptions
§ 12:5 Temporary waiver of prepetition counseling based on "exigent circumstances"

III. REQUIREMENTS FOR ELIGIBILITY TO BE A CHAPTER 13 DEBTOR—§ 109(e)

A. INDIVIDUAL WITH REGULAR INCOME

§ 12:6 Chapter 13 Debtor must be an individual
§ 12:7 Requirement of regular income

B. DEBT LIMITS FOR ELIGIBILITY UNDER § 109(e)

§ 12:8 Debt limits in general; time for determination
§ 12:9 Determination of whether debt is noncontingent and liquidated; disputed claims
§ 12:10 Determination of whether debt is secured or unsecured

IV. INELIGIBILITY BASED ON PREVIOUS CASES

§ 12:11 General rule permitting successive cases; "Chapter 20" cases; simultaneous cases
§ 12:12 Ineligibility for 180 days based on dismissal of previous case for willful failure to abide by court order or to prosecute—§ 109(g)(1)
§ 12:13 Ineligibility for 180 days based on dismissal of previous case "following" filing of motion for relief from stay—§ 109(g)(2)
§ 12:14 Extension of ineligibility period when debtor files a new case while ineligible
§ 12:15 Ineligibility due to dismissal of previous case with limitations on refiling

CHAPTER 13. COMMENCEMENT OF CASE, DEBTOR'S AND TRUSTEE'S DUTIES, AND ADMINISTRATION OF THE CASE 1377

I. CONSIDERATIONS FOR DEBTOR AND COUNSEL BEFORE FILING CHAPTER 13 CASE

§ 13:1 Whether to file Chapter 13 case; prefiling considerations; timing of filing of petition and prepetition planning; § 342(b) notice
§ 13:2 Prefiling obligations of debtor's attorney as "debt relief agency"
§ 13:3 Regulation of bankruptcy petition preparers

II. COMMENCEMENT OF A CHAPTER 13 CASE

§ 13:4 Requirements for filing the Chapter 13 petition
§ 13:5 Filing of joint petition; administration of joint cases; consolidation; cases in community property states
§ 13:6 Commencement of Chapter 13 case by conversion from another chapter
§ 13:7 Debtor's notices to creditors and requirements for creditor addresses

III. OBLIGATIONS TO FILE SCHEDULES, STATEMENTS, AND OTHER PAPERS; DISCLOSURE OBLIGATIONS

§ 13:8 Filing of plan, schedules, statement of financial affairs, and Forms 122C-1 and 122C-2
§ 13:9 Filing of payment advices
§ 13:10 Other filing requirements; certificate of notice delivery; credit counseling; education IRA
§ 13:11 Dismissal or conversion of case for failure to file required papers
§ 13:12 Filing of tax returns and provision of copies

IV. PRECONFIRMATION CASE ADMINISTRATION

§ 13:13 Commencement of plan, adequate protection, and lease payments; insurance
§ 13:14 Utility service and deposits
§ 13:15 The § 341(a) meeting of creditors
§ 13:16 Debtor's duty to cooperate with the Chapter 13 trustee
§ 13:17 U.S. Trustee audits
§ 13:18 Additional disclosure and reporting requirements for debtor who is self-employed or is engaged in business

Volume 2

CHAPTER 14. PROPERTY OF THE ESTATE, EXCLUSIONS, AND EXEMPTIONS..... 1

I. PROPERTY OF THE ESTATE IN CHAPTER 13 CASES

§ 14:1 Creation and significance of property of the estate in Chapter 13 cases—§§ 541 and 1306(a)
§ 14:2 Property of the estate under § 541 generally: contents, exclusions and exemptions
§ 14:3 Property of the estate in a case converted from Chapter 13 to Chapter 7

II. CONTENTS OF THE ESTATE

A. WHAT PROPERTY AND INTERESTS OF THE DEBTOR IN PROPERTY ARE PROPERTY OF THE ESTATE

§ 14:4 Legal or equitable interests of the debtor in property as of the commencement of the case—§ 541(a)(1)
§ 14:5 Property of debtor repossessed, foreclosed, or sold at judicial or tax sale prior to filing of petition
§ 14:6 Debtor's joint or future interests in real property
§ 14:7 Interests of debtor and debtor's spouse in community property
§ 14:8 Bank deposits
§ 14:9 Tax refunds
§ 14:10 Property acquired within 180 days of filing petition through inheritance, property settlement, or as beneficiary of life insurance policy or death benefit plan—§ 541(a)(5)
§ 14:11 Life insurance policies
§ 14:12 Debtor's causes of actions
§ 14:13 Exclusion of debtor's interest in "spendthrift" trusts, certain retirement programs and health insurance plans—§ 541(c)(2) and (b)(7)
§ 14:14 Exclusion of funds in certain education accounts or programs—§ 541(b)(5) and (6)
§ 14:15 Rights of debtor to wages, bonuses, fees, commissions or other payments or under stock option agreements relating to performance of services
§ 14:16 Exclusion of "pawned" property from property of the estate—§ 541(b)(8)
§ 14:17 Exclusion of power that debtor may exercise solely for another—§ 541(b)(1)

§ 14:18 Property in which debtor holds only legal title; express and implied trusts—§ 541(d)
§ 14:19 Social Security benefits and federal pensions

B. OTHER PROPERTY INCLUDED IN PROPERTY OF THE ESTATE

§ 14:20 Property recoverable through exercise of trustee's avoidance powers and other rights under the Bankruptcy Code—§ 541(a)(3) and (4)
§ 14:21 Proceeds, product, offspring, rents, or profits of or from property of the estate—§ 541(a)(6); Interest in property that the estate acquires after commencement of the case—§ 541(a)(7)

III. EXEMPTIONS

§ 14:22 Exempt property; debtor's exemption in recoveries through trustee avoidance powers; avoidance of certain liens impairing exempt property under § 522(f) in Chapter 13 cases
§ 14:23 Determination of what law governs debtor's exemptions
§ 14:24 Procedures for claiming and objecting to exemptions and for avoiding liens under § 522(f)

CHAPTER 15. AUTOMATIC AND OTHER STAYS IN CHAPTER 13 CASES..... 145

I. GENERAL PRINCIPLES RELATING TO AUTOMATIC AND OTHER STAYS IN BANKRUPTCY CASES

§ 15:1 Overview of automatic and other stays in Chapter 13 cases
§ 15:2 Acts prohibited by the automatic stay
§ 15:3 Exceptions to the automatic stay—§ 362(b)
§ 15:4 The codebtor stay—§ 1301
§ 15:5 Duration of automatic stay
§ 15:6 Effect of acts in violation of automatic stay; remedies for violation of automatic stay—§ 362(k)
§ 15:7 Stays under Code § 105(a) after termination of automatic stay; "reimposition" of automatic stay

II. RELIEF FROM THE AUTOMATIC STAY

§ 15:8 Grounds for relief from stay; requirement of adequate protection or other relief as condition for continuation of stay

§ 15:9 Annulment of the automatic stay to provide retroactive relief
§ 15:10 Procedures for obtaining relief from automatic stay; burdens of proof; ex parte relief from stay; settlement of motions for stay relief

III. STAY AND TURNOVER ISSUES IN CHAPTER 13 CASES

§ 15:11 Foreclosure on or levy and sale of residence or other real property
§ 15:12 Turnover of motor vehicle or other property repossessed prepetition
§ 15:13 Garnishment of earnings and bank accounts
§ 15:14 Automatic stay and bank accounts
§ 15:15 Setoff of tax refunds
§ 15:16 Automatic stay and litigation against the debtor
§ 15:17 Automatic stay issues with regard to domestic relations and family matters
§ 15:18 Dispossessory proceedings
§ 15:19 Reinstatement of driver's and other licenses
§ 15:20 Withholding of university transcript, enrollment, or graduation
§ 15:21 Incarceration and criminal prosecutions; worthless checks
§ 15:22 Regulatory and police power exception to the automatic stay—§ 362(b)(4)
§ 15:23 Withholding of postpetition Social Security or other benefits based on prepetition overpayment
§ 15:24 Creditor communications to collect debt; reports to credit reporting agencies

IV. AUTOMATIC STAY ISSUES IN SERIAL CASES

§ 15:25 The problem of abusive serial filings and legislative and judicial responses
§ 15:26 Limitations on operation of automatic stay in cases filed after dismissal of previous case—§ 362(b)(21), (c)(3), and (4)
§ 15:27 Prospective or "in rem" relief from automatic stay under § 362(d)(4) or otherwise

CHAPTER 16. ALLOCATION OF RIGHTS AND POWERS OF CHAPTER 13 DEBTOR AND TRUSTEE

..... 329
§ 16:1 Allocation of rights and powers between debtor and trustee generally
§ 16:2 Debtor's right to possession of property of the estate

§ 16:3 Debtor's rights and powers with regard to sale of property of the estate
§ 16:4 Debtor's rights with regard to use of property of the estate and encumbered property; prohibition on use of cash collateral absent consent or court authorization
§ 16:5 Rights and powers of debtor and trustee with regard to nonbankruptcy causes of action
§ 16:6 Rights and powers of debtor and trustee with regard to exercise of trustee's avoidance powers
§ 16:7 Judicial estoppel as bar to or limitation on debtor's cause of action based on debtor's failure to disclose it
§ 16:8 Rights, powers, and duties of debtor engaged in business; obtaining business credit
§ 16:9 Debtor's authority to incur postpetition debt

CHAPTER 17. CHAPTER 13 TRUSTEE'S RIGHTS, POWERS, AND DUTIES 423
§ 17:1 Role of the Chapter 13 trustee
§ 17:2 Appointment and removal of trustee
§ 17:3 Duties of trustee
§ 17:4 Powers of trustee
§ 17:5 Compensation and fee of Chapter 13 trustee
§ 17:6 Liability of trustee

CHAPTER 18. PROOFS OF CLAIM: FILING, ALLOWANCE, AND OBJECTIONS 503

I. FILING AND ALLOWANCE OF PROOF OF CLAIM

§ 18:1 Overview of filing and allowance of proof of claim in bankruptcy cases
§ 18:2 Necessity of filing proof of claim; who may file; time for filing; effect of failure to timely file proof of claim
§ 18:3 Form and contents of proof of claim generally and for secured claim; required notice of postpetition fees, expenses, charges, and payment changes with regard to claim secured by debtor's principal residence; determination of status of claim secured by debtor's principal residence
§ 18:4 Amendment of proof of claim and relation back; Supplemental claim for "CARES forbearance claim"
§ 18:5 Effect of filing proof of claim; allowance and prima facie validity
§ 18:6 Assignment of proof of claim

II. OBJECTIONS TO CLAIMS

§ 18:7 Necessity of objection to proof of claim; standing to object to proof of claim

§ 18:8 Time for filing objection to claim
§ 18:9 Grounds for objections to proof of claim
§ 18:10 Subordination of claims
§ 18:11 Procedures for filing, serving, and litigating objection to proof of claim
§ 18:12 Reconsideration of allowance or disallowance of claim

CHAPTER 19. POSTPETITION CLAIMS IN CHAPTER 13 CASES..... 623

§ 19:1 Introduction to postpetition claims in Chapter 13 cases
§ 19:2 Allowability, priority, and dischargeability of postpetition claims in Chapter 13 cases
§ 19:3 Claims under § 1305(a)(1) for taxes that "become payable" after filing of petition
§ 19:4 Claims under § 1305(a)(2) for "consumer debts"
§ 19:5 Treatment of § 1305(a) claim under plan or modified plan
§ 19:6 Rights of postpetition claimant; applicability of automatic stay
§ 19:7 Considerations for postpetition creditor in determining whether to file proof of claim
§ 19:8 Debtor's alternatives for dealing with postpetition obligations other than through plan

CHAPTER 20. CONVERSION OR DISMISSAL OF CHAPTER 13 CASE..... 659

I. CONVERSION AND DISMISSAL GENERALLY; PROCEDURES

§ 20:1 Overview of conversion and dismissal
§ 20:2 Procedures with regard to conversion or dismissal
§ 20:3 Procedures following conversion of Chapter 13 case; debtor's filing of schedules, statements, and other papers; times for filing of proof of claim, objection to exempt property, and complaint to object to discharge or to determine dischargeability of a debt

II. BASES FOR DISMISSAL OR CONVERSION

§ 20:4 Dismissal or conversion to Chapter 7 at debtor's request
§ 20:5 Dismissal or conversion for cause under § 1307(c)
§ 20:6 Grounds for dismissal or conversion of case after confirmation
§ 20:7 Conversion to Chapter 11 or 12

III. EFFECTS OF DISMISSAL OR CONVERSION

§ 20:8 Effects of dismissal or conversion generally

§ 20:9 Disposition of undisbursed funds in trustee's possession upon dismissal or conversion
§ 20:10 Availability of bankruptcy relief for debtor in later case after dismissal or conversion
§ 20:11 Effect of dismissal or conversion on property of the estate, liens, and secured claims
§ 20:12 Automatic stay issues arising upon dismissal or conversion
§ 20:13 Effect of dismissal or conversion on postpetition claims
§ 20:14 Operation of "abuse" provisions of § 707(b) in converted case and new case filed after dismissal

IV. STRATEGIC CONSIDERATIONS FOR DEBTOR AND CREDITOR WITH REGARD TO DISMISSAL OR CONVERSION

§ 20:15 Strategic considerations for debtor and creditors with regard to dismissal or conversion—Generally
§ 20:16 —Debtor's retention of property and creditors' rights to repossess or foreclose
§ 20:17 —Claims of creditors excepted from discharge in current case that are potentially dischargeable in later case; priority tax claims
§ 20:18 Strategic considerations for debtor and creditor with regard to dismissal or conversion—Claim of former spouse for property settlement or other obligation excepted from discharge under § 523(a)(15) that is dischargeable in later Chapter 13 case
§ 20:19 Strategic considerations for debtor and creditors with regard to conversion or dismissal—Claim of homeowners or membership association for postpetition fees and assessments

CHAPTER 21. DISCHARGE OF CHAPTER 13 DEBTOR 775

I. CHAPTER 13 DISCHARGE GENERALLY

§ 21:1 Overview of Chapter 13 discharge
§ 21:2 Approach to determining effect of Chapter 13 discharge on a debt

II. REQUIREMENTS FOR ISSUANCE OF DISCHARGE; REVOCATION OF DISCHARGE

§ 21:3 Summary of requirements for grant of discharge
§ 21:4 Requirement of completion of financial management course for discharge—§ 1328(g)

§ 21:5 Ineligibility of debtor for discharge based on value of certain exempt property and existence of certain pending criminal or civil proceedings—§ 1328(h)
§ 21:6 Denial of discharge based on receipt of discharge in previous case—§ 1328(f)
§ 21:7 Requirements for completion discharge—§ 1328(a)
§ 21:8 Requirements for hardship discharge—§ 1328(b)
§ 21:9 Timing of discharge; procedures for grant or denial of discharge
§ 21:10 Revocation of discharge; other relief from discharge order

III. SCOPE OF CHAPTER 13 DISCHARGE; WHAT DEBTS ARE DISCHARGEABLE

A. DEBTS TO WHICH DISCHARGE APPLIES

§ 21:11 Discharge of debts "provided for" by the plan
§ 21:12 Discharge of debts disallowed under § 502

B. EXCEPTIONS TO CHAPTER 13 DISCHARGE

§ 21:13 Exceptions to Chapter 13 discharge generally
§ 21:14 Exception to discharge for long-term debt provided for under § 1322(b)(5)
§ 21:15 Exception to discharge for certain postpetition consumer debts—§ 1328(d)
§ 21:16 Debts specified in § 523(a) excepted from both completion and hardship discharges
§ 21:17 Debts excepted from completion discharge under § 1328(a)(3) and (4)
§ 21:18 Debts excepted from hardship discharge under § 523(a) that are not excepted from completion discharge
§ 21:19 Procedures with regard to determination of dischargeability of debt

IV. CONSEQUENCES OF GRANT OR DENIAL OF CHAPTER 13 DISCHARGE

§ 21:20 Effect of Chapter 13 discharge generally
§ 21:21 Effect of discharge on secured claim for which plan provides
§ 21:22 Disposition of case when debtor is ineligible for a discharge; effect on unsecured claims
§ 21:23 Effect of debtor's ineligibility to receive discharge on secured claims and "lien-stripping" provisions of plan; "Chapter 20" cases
§ 21:24 Eligibility of debtor for further bankruptcy relief after Chapter 13 discharge

CHAPTER 22. THE BANKRUPTCY COURTS AND BANKRUPTCY JURISDICTION..... 903

§ 22:1 Overview of bankruptcy courts and bankruptcy jurisdiction

§ 22:2 Bankruptcy courts and bankruptcy jurisdiction under prior bankruptcy statutes

§ 22:3 Bankruptcy courts and bankruptcy jurisdiction under current law

§ 22:4 What are "core proceedings" that the bankruptcy court has authority to determine

§ 22:5 Venue in bankruptcy cases and proceedings

§ 22:6 Personal jurisdiction in bankruptcy cases and proceedings

§ 22:7 Sovereign immunity in Chapter 13 cases

CHAPTER 23. LITIGATION AND PROCEDURES IN CHAPTER 13 CASES..... 943

§ 23:1 Procedures in Chapter 13 cases generally

§ 23:2 "Notice and a hearing"

§ 23:3 Introduction to litigation in bankruptcy courts

§ 23:4 Types of proceedings: adversary proceedings and contested matters; when an adversary proceeding is required

§ 23:5 Pleading, pretrial procedures, discovery, and other procedures in adversary proceeding

§ 23:6 Pleading, pretrial procedures, discovery, and other procedures in contested matter

§ 23:7 Service of process in adversary proceedings and contested matters

§ 23:8 Trials and evidentiary hearings in bankruptcy litigation; evidence

§ 23:9 Subpoenas in bankruptcy cases

§ 23:10 Examination of debtor or other entity under Bankruptcy Rule 2004

§ 23:11 Determination of issues; entry of judgment or order

§ 23:12 Post-trial and post-judgment motions in bankruptcy litigation

§ 23:13 Jury trials in Chapter 13 cases

§ 23:14 Withdrawal of the reference

§ 23:15 Removal of proceeding to the bankruptcy court

§ 23:16 District court review of proposed findings of fact and conclusions of law, and entry of judgment, in non-core proceeding

§ 23:17 14-day stay of certain orders and judgments

CHAPTER 24. APPEALS IN CHAPTER 13 1031

§ 24:1 The appellate process in bankruptcy cases generally
§ 24:2 Requirements for filing notice of appeal to district court or bankruptcy appellate panel
§ 24:3 Appeal to bankruptcy appellate panel
§ 24:4 What is a final judgment, order, or decree in a Chapter 13 case
§ 24:5 Appeals of interlocutory orders to district court or bankruptcy appellate panel
§ 24:6 Prosecution of appeal to district court or bankruptcy appellate panel
§ 24:7 Direct appeal to court of appeals
§ 24:8 Appeal from district court or bankruptcy appellate panel to court of appeals
§ 24:9 Effect of appeal; stay pending appeal

Table of Laws and Rules

Table of Cases

Index