

Form B22C must be accurately completed

Case: 11-20255 *Brooks*

Docket: Trustee's Miscellaneous Docket on 1/18/12 Tyler Docket

Facts: There were a number of issues or problems with this case: (1) Form B22C (Chapter 13 Statement of Current Monthly Income and Calculation of Commitment Period and Disposable Income) had improper deductions that caused Line 59 to be a negative number (\$355.34). In particular, the Debtors improperly took the following deductions: Line 27A, Debtors took the deduction for two vehicles when the Debtors only own one vehicle; Line 29, Debtors took an ownership expense for a non-existing second vehicle; and Line 35, Debtors deducted \$150.00 that they spend every month on extra-curricular activities for their children while the deduction is limited to childcare. (2) The budget had certain "high" expenses, including, for example, tobacco expense in the amount of \$400.00 per month. The proposed plan for these above median income Debtors estimated a dividend to the unsecured creditors in the amount of \$467.40. There were other objections raised by the Trustee that do not warrant discussion in this Memo.

Ruling: The Court denied confirmation of the proposed Plan upon the request of the Trustee after the Debtors and their attorney failed to appear at either pre-confirmation meetings or the scheduled confirmation hearing.

Result: Although the Court did not actually rule on the issues/problems as raised by the Trustee, the Trustee asserts that debtors must accurately complete their Form B22C. In addition, the Trustee will also be closely examining the debtors' budget, especially when the case involves above median income debtors that are proposing a plan with a nominal dividend to the unsecured creditors. For example, the budgeted item for tobacco at \$400.00 in one month approximately equals the projected dividend that the Debtors were proposing to pay to the unsecured creditors (\$467.40) over a five year period.