

## UNITED STATES BANKRUPTCY COURT DISTRICT OF MINNESOTA

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March 24, 2022

## **PUBLIC NOTICE**

## ADJUSTMENT OF CERTAIN DOLLAR AMOUNTS APPLICABLE TO BANKRUPTCY CASES

On April 1, 2022, adjustments to the dollar amounts stated in various provisions of the Bankruptcy Code and one provision of Title 28 of the United States Code will go into effect for cases filed on or after that date. The adjustments' timing and calculation are codified in 11 U.S.C. § 104. The adjusted dollar amounts will affect, among other matters:

- the eligibility to file a case under chapters 12 and 13 of the Bankruptcy Code;
- the definition of a small business debtor;
- the maximum values of certain property that a debtor may claim as exempt;
- the maximum amounts of certain claims entitled to priority;
- the calculation of the "means test" for chapter 7 debtors;
- the duration of certain chapter 13 plans;
- the minimum aggregate value of claims needed to commence an involuntary bankruptcy case;
- the minimum value for certain preference actions;
- the value of consumer debts for luxury goods and services presumed to be nondischargeable; and
- where the trustee may commence certain proceedings.

A chart showing the affected sections of the Bankruptcy Code and Title 28, with the current and adjusted dollar amounts in those sections, is attached. On February 4, 2022, the adjusted dollar amounts were published in <u>volume 87</u>, <u>number 24 of the Federal Register at pages 6625-6626</u>.

The adjustments reflect the change in the Consumer Price Index for All Urban Consumers published by the U.S. Department of Labor for the three-year period ending immediately before January 1, 2022, and they are rounded to the nearest \$25.

Seven Official Bankruptcy Forms, two Director's Forms, and one Local Form contain references to several of the affected dollar amounts:

- Official Form 106C, Schedule C: The Property You Claim as Exempt;
- Official Form 107, Statement of Financial Affairs for Individuals Filing for Bankruptcy;
- Official Form 122A-2, Chapter 7 Means Test Calculation;
- Official Form 122C-2, Chapter 13 Calculation of Your Disposable Income;
- Official Form 201, Voluntary Petition for Non-Individuals Filing for Bankruptcy;
- Official Form 207, Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy;
- Official Form 410, Proof of Claim;
- Director's Form 2000, Required Lists, Schedules, Statements, and Fees;
- Director's Form 2830, Chapter 13 Debtor's Certifications Regarding Domestic Support Obligations and Section 522(q); and
- Local Form 4004-1, Chapter 12 or 13 Debtor's Certifications Regarding Domestic Support Obligations and Section 522(q).

The revised forms will be effective on April 1, 2022, and they will apply to cases filed on or after that date. The revised national forms incorporating the dollar amount adjustments have been posted to the Pending Bankruptcy Forms section on the Bankruptcy Forms page of the <u>uscourts.gov</u> website. Once effective, the revised forms will be available on the Bankruptcy Forms page. Revised Local Form 4004-1 has been posted to the Court's local forms page on the <u>mnb.uscourts.gov</u> website.

Affected Sections of Title 28 U.S.C. and the	Dollar Amount	New (Adjusted)
Bankruptcy Code	to be Adjusted	Dollar Amount <sup>1</sup>
28 U.S.C.	-	
Section 1409(b) - a trustee may commence a		
proceeding arising in or related to a case to		
recover		
(1) - money judgment of or property worth	\$1,375	\$1,525
less than		
(2) - a consumer debt less than	\$20,450	\$22,700
(3) - a non-consumer debt against a non-	\$25,000	\$27,750
insider less than		
11 U.S.C.		
Section 101(3) - definition of assisted person	\$204,425	\$226,850
Section 101(18) - definition of family farmer	\$10,000,000	\$11,097,350
. ,	(each time it	(each time it
	appears)	appears)
Section 101(19A) - definition of family fisherman	\$2,044,225 (each	\$2,268,550 (each
. , ,	time it appears)	time it appears)
Section 101(51D) - definition of small business	\$2,725,625 (each	\$3,024,725 (each
debtor	time it appears)	time it appears)
Section 109(e) - debt limits for individual filing	\$419,275 (each	\$465,275 (each
bankruptcy under chapter 13	time it appears)	time it appears)
		,
	\$1,257,850 (each	\$1,395,875 (each
	time it appears)	time it appears)
Section 303(b) - minimum aggregate claims	\$16,750 (each	\$18,600 (each
needed for the commencement of an involuntary	time it appears)	time it appears)
chapter 7 or 11 petition		
Section 507(a) - priority expenses and claims		
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(1) - in paragraph (4)	\$13,650	\$15,150
(2) - in paragraph (5)(B)(i)	\$13,650	\$15,150
(3) - in paragraph (6)	\$6,725	\$7,475
(4) - in paragraph (7)	\$3,025	\$3,350

The New (Adjusted) Dollar Amounts reflect a 10.97347880254584 percent increase, rounded to the nearest \$25.

Section 522(d) - value of property exemptions allowed to the debtor		
(1) - in paragraph (1)	\$25,150	\$27,900
(2) - in paragraph (2)	\$4,000	\$4,450
(3) - in paragraph (3)	\$625 \$13,400	\$700 \$14,875
(4) - in paragraph (4)	\$1,700	\$1,875
(5) - in paragraph (5)	\$1,325 \$12,575	\$1,475 \$13,950
(6) - in paragraph (6)	\$2,525	\$2,800
(7) - in paragraph (8)	\$13,400	\$14,875
(8) - in paragraph (11)(D)	\$25,150	\$27,900
Section $522(f)(3)$ - exception to lien avoidance	\$6,825	\$7,575
under certain state laws	4 0,0 - 0	4 1 , 5 1 5
Section 522(f)(4) - items excluded from definition	\$725 (each time	\$800 (each time
of household goods for lien avoidance purposes	it appears)	it appears)
Section 522(n) - maximum aggregate value of	\$1,362,800	\$1,512,350
assets in individual retirement accounts exempted		
Section 522(p) – state homestead exemption, limit	\$170,350	\$189,050
for interest acquired ≤ 1215 days before filing		
Section 522(q) – state homestead exemption, limit	\$170,350	\$189,050
under particular circumstances		
Section 523(a)(2)(C) - exceptions to discharge – presumption of nondischargeability		
(1) - in paragraph (i)(I) - consumer debts for luxury goods or services incurred ≤ 90 days before filing owed to a single creditor in the aggregate	\$725	\$800
(2) - in paragraph (i)(II) – certain cash advances obtained ≤ 70 days before filing, in the aggregate	\$1,000	\$1,100
Section 541(b)- certain property of the estate exclusion limits	\$6,825 (each time it appears)	\$7,575 (each time it appears)
CACIUSIOII IIIIIIIS	time it appears)	time it appears)

Section 547(c)(9) – minimum preference avoidance value in cases with primarily non-	\$6,825	\$7,575
consumer debts		
Section 707(b) - dismissal of a chapter 7 case or conversion to chapter 11 or 13 (means test)		
(1) - in paragraph (2)(A)(i)(I)	\$8,175	\$9,075
(2) - in paragraph (2)(A)(i)(II)	\$13,650	\$15,150
(3) - in paragraph (2)(A)(ii)(IV)	\$2,050	\$2,275
(4) - in paragraph (2)(B)(iv)(I)	\$8,175	\$9,075
(5) - in paragraph (2)(B)(iv)(II)	\$13,650	\$15,150
(6) - in paragraph (5)(B)	\$1,375	\$1,525
(7) - in paragraph (6)(C)	\$750	\$825
(8) - in paragraph (7)(A)(iii)	\$750	\$825
Section 1322(d) - length of chapter 13 plan,	\$750 (each time	\$825 (each time
current monthly income, 4+ household	it appears)	it appears)
Section 1325(b) - confirmation of chapter 13 plan,	\$750 (each time	\$825 (each time
current monthly income, 4+ household	it appears)	it appears)
Section 1326(b)(3) - payments to former chapter 7 trustee	\$25	\$25