

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
OFFICE OF THE CLERK**



March 25, 2016

C L E R K ' S N O T I C E 16-02

**AUTOMATIC ADJUSTMENT OF CERTAIN DOLLAR AMOUNTS
IN THE BANKRUPTCY CODE, TITLE 28, AND OFFICIAL AND
DIRECTOR'S BANKRUPTCY FORMS**

On April 1, 2016, automatic adjustments to the dollar amounts stated in various provisions of the Bankruptcy Code and one provision in Title 28 of the United States Code will become effective. The adjusted dollar amounts will apply to cases filed on or after **April 1, 2016**.

In the Bankruptcy Reform Act of 1994, as amended by the Bankruptcy Abuse and Consumer Protection Act of 2005 and Pub. L. No. 110-406 (2008), Congress provided for the automatic adjustment of these dollar amounts at three-year intervals. The relevant provisions are codified in 11 U.S.C. § 104(a). The adjusted dollar amounts will affect, among other matters:

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

The adjustments reflect the change in the *Consumer Price Index for All Urban Consumers* published by the United States Department of Labor for the three-year period ending December 31, 2015, and are rounded to the nearest \$25. Use of this formula to adjust the specified dollar amounts is prescribed by 11 U.S.C. § 104(a).

On February 22, 2016, the adjusted dollar amounts were published in volume 81, number 34, of the *Federal Register*, at pages 8,748-49, as required by 11 U.S.C. § 104(b). On March 14, 2016, a correction to include a previously omitted adjusted dollar amount was published in volume 81, number 49, of the *Federal Register*, at page 13421. The next three-year automatic adjustments of these dollar amounts will be published before March 1, 2019, and will take effect April 1, 2019. Attached is a chart showing the affected sections of the Bankruptcy Code and Title 28 and both the current and adjusted dollar amount in those sections.

Seven of the Official Forms and two of the Director's Forms 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; and
- Director's Form 2830, Chapter 13 Debtor's Certification Regarding Domestic Support Obligations and Section 522(q).

The revised forms will be effective on April 1, 2016, and will apply to cases filed on or after that date. Prior to the April 1, 2016, effective date, the revised forms incorporating the dollar amount changes will be available on the pending bankruptcy forms page at:

<http://www.uscourts.gov/rules-policies/pending-rules-amendments/pending-changes-bankruptcy-forms>. Once effective, the revised forms will be available on the bankruptcy forms page at: <http://www.uscourts.gov/forms/bankruptcy-forms>.

FOR THE COURT
Jed G. Weintraub
Clerk of Court