

IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF ALASKA

FILED

MAY 11 1988

CLERK
U.S. BANKRUPTCY COURT
By _____
Deputy Clerk

In re

GENERAL ORDER REGARDING
DUTY OF CHAPTER 7 DEBTORS
TO FILE INCOME TAX RETURNS

General Order No. 88-1

ORDER REGARDING REQUIREMENT
THAT TAX RETURNS BE FILED WITH
COURT BY CHAPTER 7 DEBTORS

The form of order titled "Notice and Order Regarding Duties of Chapter 7 Debtors" which has recently been used by the court provides:

IT IS HEREBY ORDERED that you shall file with the Bankruptcy Court at Anchorage copies of your state and federal tax returns* for the year in which your bankruptcy petition was filed and for the previous year. Said returns shall be filed when the same are filed with the taxing authorities, or filed with the bankruptcy court by the date of the Section 341 Meeting of Creditors if the returns have already been made. The copies will not be returned to you.

*if any

The court has decided to abandon the practice of requiring chapter 7 debtors to file the tax returns in court and will be adopting a procedure which will allow the trustee to get this information directly from the debtor. If the debtor fails

to produce the materials for the trustee, the trustee can move to compel compliance.

A number of case are pending in which the "Notice and Order Regarding Duties of Chapter 7 Debtors" contains the quoted language and the debtors have not filed the returns. The clerk has been holding up the discharge order and closing pending the filing. The court is going to permit these cases to go to discharge and be closed without the filing of the tax returns and will allow any trustee who is interested to move to compel production of the tax returns. Therefore,

IT IS ORDERED:

1. All pending chapter 7 cases being held by the clerk's office because the tax returns have not been filed may be closed notwithstanding the failure of a debtor to comply with the language quoted above. All future cases in which the "Notice and Order Regarding Duties of Chapter 7 Debtors" contains the quoted language may be closed and discharge shall not be held up even if the returns are not filed with the court.

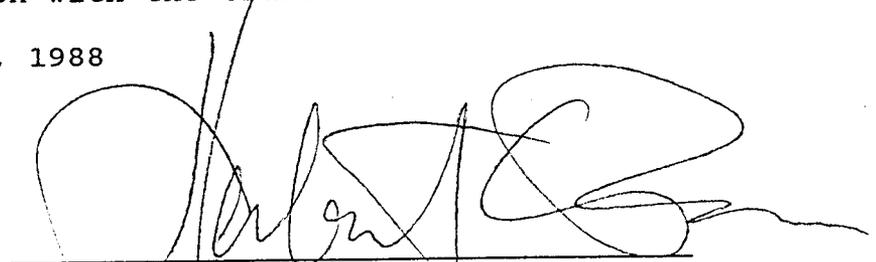
2. Any section 341 meeting which is held "open" pending the filing of returns pursuant to the order shall be closed if that is the only impediment to closing.

3. Any panel trustee that wants the tax returns produced may move the court for an order compelling the production of returns by the debtor.

3. The court will amend the "Notice and Order Regarding Duties of Chapter 7 Debtors" to provide that the tax

returns and other documents which may be useful to a trustee be produced for the trustee no later than the time set for the section 341 meeting. The trustee may determine whether or not to demand strict compliance with the order in any particular case, but the court would hope that the trustee would adopt a policy that compliance was expected from debtors and the bankruptcy bar. The court will support the trustees if voluntary compliance is lacking or debtors or their attorneys feel they can sluff off the requirement of cooperation with the trustee.

DATED: May 11, 1988



HERBERT A. ROSS
Bankruptcy Judge

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