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3 JUDGE HERB ROSS (Recalled)

4 UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF ALASKA  
605 West 4th Avenue, Room 138, Anchorage, AK 99501-2253 — (Website: www.akb.uscourts.gov)  
5 Clerk's Office: 907-271-2655 (1-800-859-8059 In-State) — Judge's Fax: 907-271-2692

6 In re  
7 THOMAS LEE CRANDALL, JR.,  
8 Debtor(s)

Case No. A15-00151-HAR  
In Chapter 7

9 MEMORANDUM DECISION THAT FUNDS  
HELD BY CHAPTER 13 TRUSTEE  
SHOULD BE RETURNED TO DEBTOR

10 The basis for ruling how the \$17,253.11 in funds held by the chapter 13 trustee from plan  
11 payments should be distributed is set forth in sufficient detail to explain the court's ruling in the  
12 *Proceeding Memorandum* at ECF 260 on 09/06/16. The only open question was whether it was  
13 possible that these funds were from **prepetition** property of the estate.

14 If the plan payments were from prepetition property of the estate, the chapter 7 trustee  
15 would have been entitled to the funds pursuant to 11 USC §348(f)(1)(A) since they were still in  
16 existence (being held by the chapter 13 trustee). If they were not from prepetition property of  
17 the estate and there was no confirmed plan, they should be returned to the debtor pursuant to 11  
18 USC §1326(a)(1)(A) net of certain administrative expenses.

19 So, I asked the parties to show by tracing what the source of the \$17,253.11 was. The  
20 parties filed supplemental briefs and papers (ECF 279 for NVPH and ECF 280 for the debtor).  
21 From this material, I conclude that about \$2,000 was clearly **postpetition** since it was from the  
22 2015 Alaska Permanent Fund dividend paid in October 2015. The balance of the chapter 13 plan  
23 payments were from **postpetition** funds loaned or given to debtor from his wife's separate  
24 property.

25 Regardless of the source, debtor has established that the \$17,253.11 was from **postpetition**  
26 property, so these funds should be returned to the debtor. A separate order will be entered.

1 DATED: October 24, 2016

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3 /s/ Herb Ross  
4 HERB ROSS  
U.S. Bankruptcy Judge

5 Serve :

6 Chris Johansen, Esq., for the debtor  
7 Sam Fortier, Esq., for the Native Village of Port Heiden  
8 David Shoup, Esq., for The General Income Trust, 508 West 2<sup>nd</sup> Ave., 3<sup>rd</sup> Floor, Anchorage, AK 99501  
9 Nacole Jipping, Chapter 13 Trustee  
10 William Artus, Esq., for the Chapter 7 Trustee  
11 U.S. Trustee's Office  
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