

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE**

In re:

Robert A. Sherwood, II,
& Sara Sherwood,

Debtors

Chapter 13
Case No. 19-10509

**ORDER DENYING TRUSTEE'S MOTION TO
REQUIRE TAX COMPLIANCE AND PROHIBIT EXTENSIONS**

The chapter 13 trustee has moved the Court for an order that would: (a) require the debtors to file any outstanding tax returns within 30 days of the date of the order without regard to any extension of the tax filing deadline obtained before the petition date; (b) require the debtors to file all tax returns due after the date of the order by the first applicable deadline and prohibit the debtors from seeking or obtaining any extension of such deadline without first obtaining Court approval; (c) require the debtors to pay all postpetition tax liabilities as they fall due unless the Court orders otherwise; and (d) require the debtors to provide, directly to the trustee, copies of all postpetition tax returns or transcripts of such returns within 14 days after filing the returns with the tax agencies for each year while the case is pending. *See* [Dkt. No. 22]. The Bankruptcy Code and the Federal Rules of Bankruptcy Procedure include numerous provisions addressing debtors' obligations to file tax returns and to provide tax information to the trustee and other interested parties. *See* 11 U.S.C. §§ 521(e)(2), 521(f)(1)-(3), 521(g)(2), 521(j), 1307(e), 1308(a)-(c), 1325(a)(9); Fed. R. Bankr. P. 4002(b)(3)-(5). The Court has also issued a standing order relating to tax returns. *See* Standing Orders Regarding Implementation of the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (BAPCPA), Amended (Dec. 1, 2017).

The trustee's motion does not refer to any of these provisions and does not address whether the relief that he seeks would be in tension with the scheme established by Code and the Rules. There is no question that the trustee is entitled to the tax information he seeks. Similarly, there is no doubt that chapter 13 debtors must pay their postpetition tax obligations as and when they come due. That said, the Court will not impose additional requirements for the filing and provision of tax returns and other information where Congress has already created a detailed scheme governing the subject while a bankruptcy case is pending, particularly where that scheme contemplates serious consequences for failure to comply. *See, e.g.*, 11 U.S.C. §§ 521(e)(2)(B), 521(j)(2), 1307(e), 1325(a)(9). The trustee's motion is therefore DENIED.

Dated: January 7, 2020



Michael A. Fagone
United States Bankruptcy Judge
District of Maine