

## How to Complete Section IV.E. of the Form Plan (Bankr. W.D. Wa. LBF 13-4) for Pre-Confirmation Cases: Four Scenarios

→ An amount included in Section IV.E. is a floor, not a ceiling. Depending on the plan, the debtor may pay more to nonpriority unsecured creditors than the amount included in Section IV.E. This “cheat sheet” is a basic guideline only and not legal advice. This is subject to change at any time and does not bind the Chapter 13 Trustee’s Office. → For all of the below scenarios, **(1)** if the debtor’s PDI from the means test (Line 45 on Form B122C-2 multiplied by sixty) exceeds the amount of unsecured claims and there is no *Lanning* basis; **(2)** if the liquidation value exceeds the amount of unsecured claims; or **(3)** if the debtor’s income is such that the plan will pay 100% to unsecured claims, complete Section IV.E. like this: **X** \_\_\_\_\_ **100%**

**SCENARIO 1:** If the debtor is below median on Form B122C-1, complete Section IV.E. like this: **X At least \$0**

**SCENARIO 2:** If the debtor is above median on Form B122C-1 and Line 45 of Form B122C-2 is a zero or negative number, complete Section IV.E. like this: **X At least \$0**

**SCENARIO 3:** If the debtor is above median on Form B122C-1 and Line 45 of Form B122C-2 is a positive number (anything greater than zero), multiply the amount on Line 45 by sixty (the applicable commitment period) and put that amount in Section IV.E. For example, if Line 45 is \$1,000, then Section IV.E. should look like this: **X At least \$60,000**

**SCENARIO 4** (Local Bankr. R. 3015-1(e)): If the debtor is above median on Form B122C-1 and Line 45 of Form B122C-2 includes a positive number (anything greater than zero), but the debtor asserts she is unable to pay that amount multiplied by sixty under *Lanning*, the debtor needs to **(1)** complete Line 46 of Form B122C-2; **(2)** provide the Trustee with evidence of the change in circumstances included on Line 46; **(3)** include in Section X. the following provision:

*The debtor is unable to pay all or part of the debtor’s \$\_\_\_\_\_ projected disposable income (the monthly disposable income shown on line 45 of Official Form B 122C-2 multiplied by the sixty-month applicable commitment period), and instead proposes to pay to allowed nonpriority unsecured claims at least the amount listed in Section IV.E.*

and **(4)** include in Section IV.E. the amount the debtor can pay after deducting the amount on Line 46 from Line 45 and multiplying that amount by sixty. If that number is negative or zero, then put zero in Section IV.E.; if that number is positive, put that number in Section IV.E.

**Example 1 of Scenario 4:** If Line 45 is \$1,000 and debtor has a valid change in circumstances on Line 46 of \$500 monthly, Section IV.E. and Section X. would look like this: **X At least \$30,000**

*The debtor is unable to pay all or part of the debtor’s \$60,000 projected disposable income (the monthly disposable income shown on line 45 of Official Form B 122C-2 multiplied by the sixty-month applicable commitment period), and instead proposes to pay to allowed nonpriority unsecured claims at least the amount listed in Section IV.E.*

**Example 2 of Scenario 4:** If Line 45 is \$1,000 and debtor has a valid change in circumstances on Line 46 of \$1,000 or more monthly, Section IV.E. and Section X. would look like this: **X At least \$0**

*The debtor is unable to pay all or part of the debtor’s \$60,000 projected disposable income (the monthly disposable income shown on line 45 of Official Form B 122C-2 multiplied by the sixty-month applicable commitment period), and instead proposes to pay to allowed nonpriority unsecured claims at least the amount listed in Section IV.E.*