

ROD DANIELSON
CHAPTER 13 TRUSTEE
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PROOF OF INCOME FORMS

1. BUSINESS REPORT (Short Form): To be submitted (with two years of personal and any business federal income tax returns and six most recent months' business bank statements) by self-employed debtor who:

- 1.1 Has no employees; and
- 1.2 Grosses less than \$50,000.00 annually from the business.

See LBR 3015-1 (c)(2) for additional requirements.

2. BUSINESS REPORT (Long Form): To be submitted (with two years of personal and any business federal income tax returns and six most recent months' business bank statements) by self-employed debtor who:

1. Has any employees (full-time or part-time);
2. Grosses greater than \$50,000.00 annually from the business;
3. Carries inventories of goods for sale; or
4. Has assumed equipment leases with total payments of at least \$50,000.00.

See LBR 3015-1 (c)(2) & (4) for additional documentation requirements. Debtors who meet the requirements for the Long-Form Business Report MUST provide the additional documentation required under LBR 3015-1 (c)(4) (see reverse side of this page).

ALL DEBTORS ENGAGED IN BUSINESS ARE ADVISED TO REVIEW THE PROVISIONS OF RULE 3015-1 OF THE LOCAL BANKRUPTCY RULES, AND RULE 2015 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE, EXCERPTS OF WHICH ARE PRINTED/SUMMARIZED ON THE REVERSE SIDE OF THIS PAGE AT PARAGRAPHS #6 AND #7.

3. REAL PROPERTY QUESTIONNAIRE: *Attach copies of all leases and two months of rent receipts.* To be used by debtor who receives rental income from any property other than the debtor's principal residence, or who receives rental income from two or more rental units in the debtor's principal residence (e.g., debtor owns and resides in a tri-plex, where the remaining two units generate rental income).

4. CONTRIBUTION DECLARATION: *Attach evidence of income of the contributor.* To be used by debtor who receives contribution income. This form should also be submitted when the debtor has rental income from a family member.

5. PROOF OF WAGE-EARNER INCOME: *Submit two current, consecutive pay stubs.* Be sure to indicate the frequency that debtor receives his or her paycheck (weekly, bi-weekly, bi-monthly, or monthly). Be sure the paystub is representative of debtor's regular income. For example, if the debtor does not regularly receive overtime, do not submit a stub which includes overtime pay. Similarly, if the debtor's stub reflects an unusually "short" pay period, do not submit it.

6. LOCAL BANKRUPTCY RULE 3015-1, PARAGRAPH (c):

(2) Evidence of Income. The debtor shall provide evidence of current income (pay stubs, tax return or other equivalent documentation) to the Chapter 13 Trustee at least 8 days before the 341(a) meeting of creditors. If income from a third party contributor will be used to fund the plan, the debtor shall also provide evidence (declarations and pay stubs or other appropriate evidence) of the commitment and ability of the third party to make payments. Failure to provide this evidence may result in dismissal of the case, including but not limited to dismissal with a 180-day bar to refiling pursuant to 11 U.S.C. §109(g) if the court finds willful failure to comply with an order of the court. [emphasis added]

(4) Required Reports. If the debtor is operating a business, the debtor shall submit to the Chapter 13 Trustee, at least 8 days before the §341(a) meeting of creditors, the following reports required to investigate the acts, conduct, assets, liabilities, and financial condition of the debtor, the operation of the debtor's business, and the feasibility of such business:

- (2) Projection of average monthly income and expenses for the next 12 months;*
- (3) Evidence of appropriate business insurance;*
- (4) Inventory of goods as well as a list of business furniture and equipment as of the date of the filing of the petition;*
- (5) Monthly income and expense statements for at least the 6 months preceding the date of the filing of the petition, or for such shorter time if the business has been in operation for less than the requisite 6 months, signed by the debtor under penalty of perjury, including a statement regarding incurred and unpaid expenses;*
- (6) Tax returns for at least 5 years or since the start of the business, whichever period is shorter; and*
- (7) The Trustee may request additional evidence, including but not limited to bank statements, cancelled checks, contracts, or any other evidence to support the ability to fund the proposed plan.*

Failure to submit timely reports required above may result in dismissal of the case, with or without a 180-day bar to refiling pursuant to 11 U.S.C. §109(g), if the court finds willful failure to comply with an order of the court. [Emphasis added]

7. RULE 2015 OF FEDERAL RULES OF BANKRUPTCY PROCEDURE PROVIDES THAT A CHAPTER 13 DEBTOR ENGAGED IN BUSINESS SHALL: keep a record of receipts and the disposition of money and property received; file the reports and summaries required by §704(8) of the code which shall include a statement, if payments are made to employees, of the amounts of deductions for all taxes required to be withheld or paid for and in behalf of employees and the place where these amounts are deposited; as soon as possible after commencement of the case, give notice of the case to every entity known to be holding money or property subject to withdrawal or order of the debtor, including every bank, savings or building and loan association, public utility company, and landlord with whom the debtor has a deposit, and to every insurance company which has issued a policy having a cash surrender value payable to the debtor, except that notice need not be given to any entity who has knowledge or has previously been notified of the case. . .

. . . if the court directs, [the debtor] shall file and transmit to the United States trustee a complete inventory of the property of the debtor within the time fixed by the court.