

BLANKRUPTER[®] 4.0

Quick Start

PROGRAM INSTALLATION

The steps to install your Blankrupter program;

1. Insert CD labeled Blankrupter Setup into your CD-ROM drive of your computer.
2. From Start, select RUN
3. Type D:SETUP (or the letter for your CD-ROM drive).
4. Follow the on-screen instructions to complete the installation.

Technical Support and Registration

By Telephone	724 838-8993 (NWinds)
By Internet	Go to Help....register via internet
Follow the prompts.	
Sales	BlumbergExcelsior 800-221-2972 ext. 565

REGISTRATION by telephone

When you first purchase Blankrupter 4.0, the program INCLUDES an evaluation period. The program will be fully functional for 30 days. After this 30 day evaluation period, the program will go into demo mode. In the demo mode, you cannot print any forms except for the Voluntary Petition, Page 1.

If you are not satisfied and you have not registered the program with NWinds, you must contact Blumberg*Excelsior* for instructions on returning the software.

When you call to register the program, NWinds technical support will ask you to open the registration screen. This can be found by going to "Registration" from the "Help" menu in the main screen. This screen will contain a code number and a computer number. Give these numbers to technical support; in return, you will receive a seven digit number to type into the Trigger Code Box. After you type in the number, choose the "OK" button and a message will come up confirming that the program has been registered. You can also use this registration screen to find the expiration date of the evaluation period.

SINGLE USER SYSTEMS

Once registration is complete, the program is fully functional on that computer ONLY. If you try to access the program through a network, the program will become functional on that computer for 30-days, and then it converts to the demo mode. If the CD-ROM is used to install the program onto another computer, the same thing happens, i.e., 30-day evaluation period then demo mode.

Limited Warranty

Blumberg*Excelsior*, Inc. disclaims all warranties, express or implied, concerning the software program. Blumberg*Excelsior* specifically disclaims any warranties of merchantability or fitness for a particular purpose. In no event will Blumberg*Excelsior*, Inc. accept liability for any damage, including consequential, indirect, or special lost profits, arising out of the use or inability to use any software programs or other products. As noted Blumberg*Excelsior*'s damages will be limited exclusively to product replacement or refund of purchase price. Some states do not allow the exclusion of implied warranties, so the above exclusions may not apply to you. This warranty gives you specific legal rights and you may also have other rights, which may vary from state to state.

NEW TO VERSION 4.0

Dynamic MEANS TEST CALCULATOR with IRS and Census Bureau Data included in the database.

- Determine Means Test “presumptions” in advance
- Database refined to the county level in all Districts
- Automatically determines “presumptions” and populates fields of OF 22A, B or C
- If data changes, presumption will be revised and appropriate form completed
- Avoids redundant entry of data
- Avoids side calculations
- Gathers Schedule I data for Means Test
- Revisions to IRS & Census Bureau tables are easily downloaded

New Bankruptcy Questionnaire, 12 pps. – print, or email to your clients to help them gather, organize and present you with their information in logical sequence. Click Miscellaneous Forms, then Other Forms.

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INTRODUCTION

Welcome to Blankrupter, the software program that processes and generates BlumbergExcelsior Official Bankruptcy Forms on plain paper, using your personal computer and printer. Blankrupter operates in the Microsoft Windows environment, making data entry simple and straight forward. It automates the processing of Chapters 7, 11, 12 and 13 bankruptcy forms, and includes the necessary math calculations as well as the required mailing list. We believe that you will find Blankrupter an easy-to-use, productive tool for processing bankruptcy forms.

Blankrupter has the following unique advantage:

- Easy to install and use
- Enables electronic filing
- Processes Chapter 7, 11, 12 and 13 Official Forms
- Automated Means Test
- Forms updated online as necessary
- Graphic forms generated on blank paper
- Six different mailing list print formats and three electronic formats
- Automatic math calculations
- Includes federal and state exemptions
- Client Questionnaire
- Spell checking
- Print preview
- Online help

SYSTEMS REQUIREMENTS

Blankrupter is designed to work on the personal computers with Pentium (or compatible) chips, with a minimum of 25 MB hard drive space available with at least 32 MB RAM, Windows 98 or greater (Blankrupter is not supported under the Microsoft ME operating system).

Any Windows supported printer can be used with Blankrupter.

NOTE: This instruction manual explains how to use Blankrupter software program only. Please refer to the Microsoft Windows software documentation for instructions on how to use Windows and the user manuals for your computer, mouse and printer for instructions on using your hardware.

PROGRAM INSTALLATION

The steps to install your Blankrupter program:

1. Insert CD labeled Blankrupter into your CD-ROM Drive
2. From the “Start” button, select “Run”
3. Type D: Desktop4.0setup4.exe (or other letter for your CD-ROM drive)
4. Follow the on-screen instructions to complete the installation

CHAPTER 1: BASIC CONCEPTS AND THE MAIN MENU

Moving through the Data Entry Fields

To move from one field to another in your Blankrupter program, use your mouse to click into the field.

Spell Checking the Data Entry Fields

To check the spelling of a data entry field, place the cursor in the desired field and select Spell Check from the Tools menu.

Cut, Copy and Paste Feature

Like most Windows programs, the data entry screens in your Blankrupter program enable you to cut, copy and paste information within the program and from other Windows program and from other Windows programs. See your Windows manual for additional instructions.

The Navigator

Each dynamic data entry screen such as the Schedules and Statement of Financial Affairs have what is called a Navigator to enable you to go to the first, last, previous and next entry in the database list as well as add, delete, save or cancel entries (see figure below). In addition, some screens contain a Navigator that enables you to add entries to the database list.



Figure 1 Top

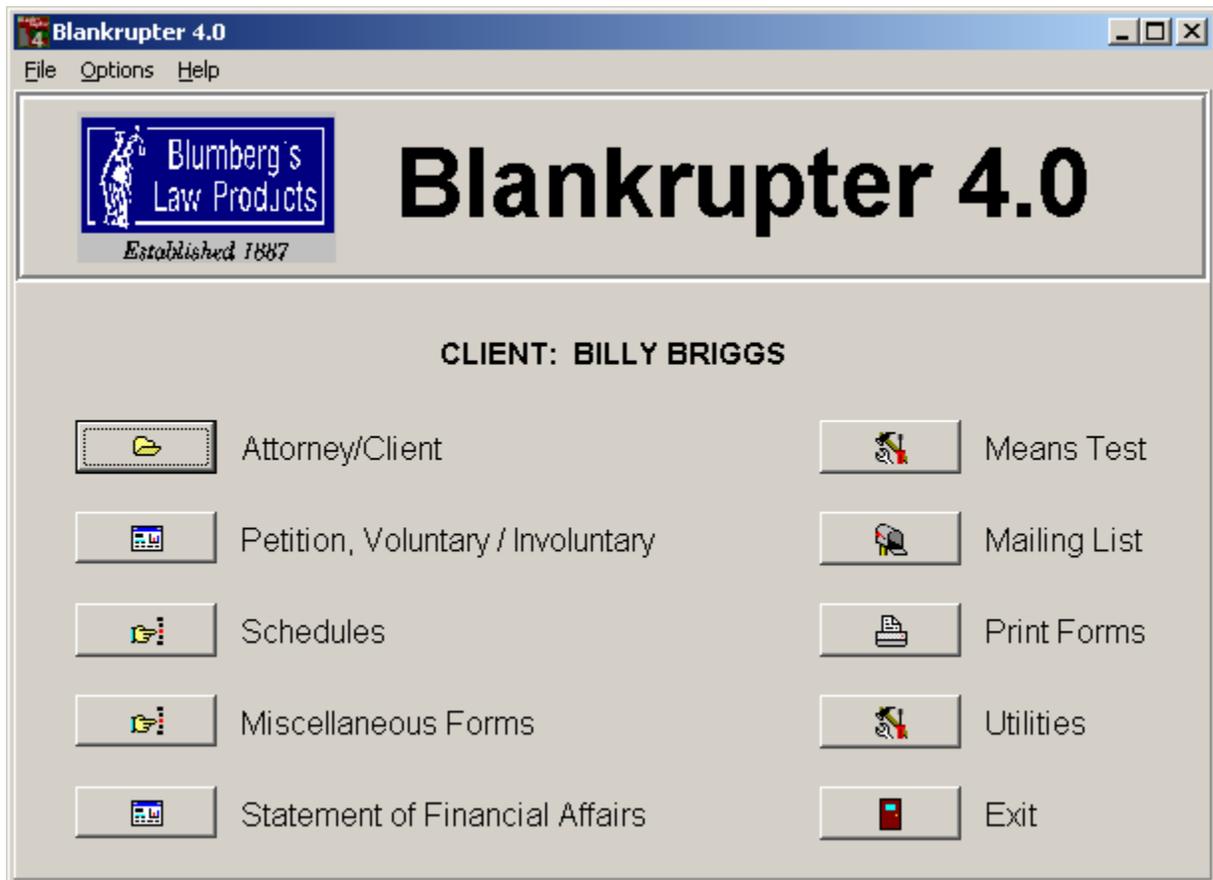
-  First Entry
-  Previous Entry
-  Next Entry
-  Last Entry
-  Add Entry
-  Delete Entry
-  Save Entry
-  Cancel Entry

In addition, directly below the Navigation is an entry indicator. (Figure above) This indicator shows where an entry is located in relation to all other entries (e.g., the beginning, middle or end).

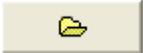
Figure 1 Bottom

The Main Menu

The Main Menu screen is a listing of a variety of program options. Each button on the screen represents a different option in your Blankrupter software. Choose an option by selecting the button with your mouse.



The primary functions of each button are:

ICON OPTION	FUNCTION	
	ATTORNEY/CLIENT	Access databases to add, edit or delete clients from databases.
	VOLUNTARY PETITION	Enter information for the standard two-page form required for all bankruptcy filings.
	SCHEDULES	Access the Schedules Menu to select a specific schedule, enter property by type and print.
	MISCELLANEOUS FORMS	Access the Miscellaneous Forms Menu to enter data and print various other bankruptcy forms.
	STATEMENT OF FINANCIAL AFFAIRS	Enter financial affairs information and print the statement.
	MEANS TEST	Enter Means Test data.
	MAILING LIST	Access and print the mailing list to add unique entries at the top of the creditor mailing list, such as debtor's name, social security number, taxing authority, debtor's attorney, etc.
	PRINT FORMS	Print all or selected form at one time and print the schedules instructions.
	UTILITIES	Access system utilities to enter, edit or delete, Common Creditors; select printing options and exemptions.
	EXIT	Exit Blankrupter

Button Symbol

In the Bankruptcy menu screens there are several different buttons with small symbols. These signify specific options and data entry screens. For example, the ATTORNEY/CLIENT button in the Main Menu displays an open file folder. This is the standard Windows symbol for using directions. This program has additional unique symbols. These are:

SYMBOL	TYPE OF OPTION
--------	----------------



Access a directory.



Access a data entry screen to complete a form.



To access an additional menu.



Mailing lists.



Print.



Utilities.



Access a lookup table such as Exemptions and Common Creditors.

CHAPTER 2: PROCESSING A BANKRUPTCY

Once installation is complete; you can begin to use your Blankrupter program. Each firm processes a bankruptcy in its own way. Some attorneys write the information down on worksheets and have their staff enter it, while others enter the information directly while they conduct the initial interview. Some firms complete the Schedules first, while others start with the Statement of Financial Affairs. Blankrupter is flexible. You can begin the process with any form. This manual describes the process in the order that it appears on the Main Menu. We will first describe setting up databases and clients, then a Voluntary Petition and so on.

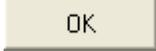
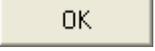
Adding and Selecting a Database and Client

Blankrupter works on one database and client at a time. The database is ordinarily the name of the attorney who processes a given bankruptcy. A law firm can have databases for each attorney in the firm. The databases appear as sub-directories in the Bank directory on the computer hard drive. Attorneys add clients to their own databases. Each client listed in the database represents a different bankruptcy case.

Create a database for each attorney or staff member. Each time you begin working with Blankrupter, first select the ATTORNEY/CLIENT button, then (1) add or select a database and (2) add or select a client. You will not have the ability to access any other part of the program (except Utilities) without first selecting a client from a database.

NOTE! When you first begin using your Blankrupter you will be taken directly to the ATTORNEY/CLIENT screen. You must first add a database and create a client or select an existing client as described in the following section.

To Add a Database and Client (Figures 3 and 4)

1. From the Main Menu, select ATTORNEY/CLIENT. An Attorney/Client Screen will appear listing your Blankrupter directory on the left (Bankwin), and a clients box on the right (see Figure 2). Be sure that the Bank directory is highlighted and select the  button next to the directory to add your database.
2. A dialog box appears asking for a database name. Enter a name with 8 characters or less (no spaces). Select the  button.
3. A second dialog box appears requesting a client name. Type a client name (31 characters or less) then select the  button.
4. When asked if you wish to add default information about this new client, choose YES or NO. This is basic information, every client (refer to Chapter 14 for more information on setting the default information).

5. A series of data entry fields will appear on the bottom portion of the screen including Leading Caption and Case Information (see Figure 4). This is preliminary information for your bankruptcy filing. Enter the appropriate information and select the button indicating whether the filer is an Attorney or Non-Attorney Petitioner.
6. Select the button on the bottom of the screen to save the data and Exit to the Main Menu , or select the button in the Clients box to add another client to the same database. When you exit to the Main Menu, the last client name you entered will appear in black on the Main Menu. You are now ready to complete the forms for that client.

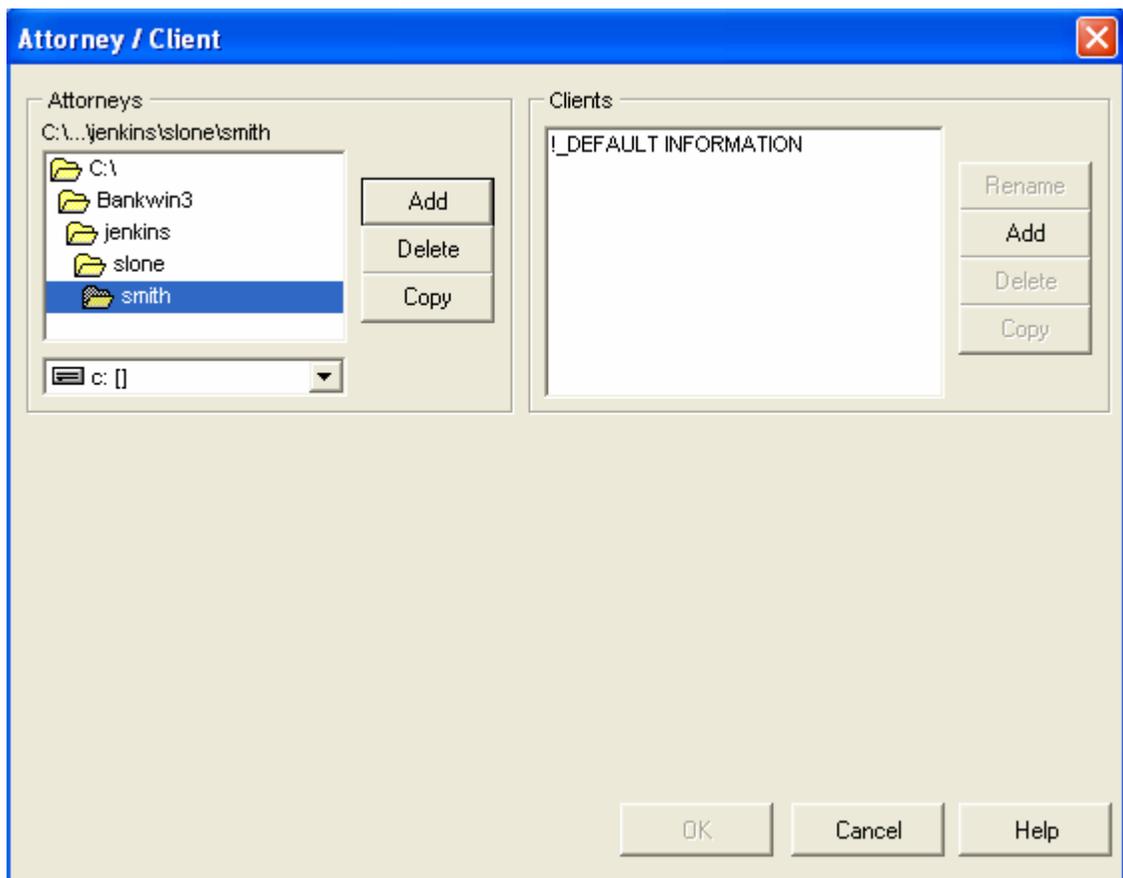


Figure 2

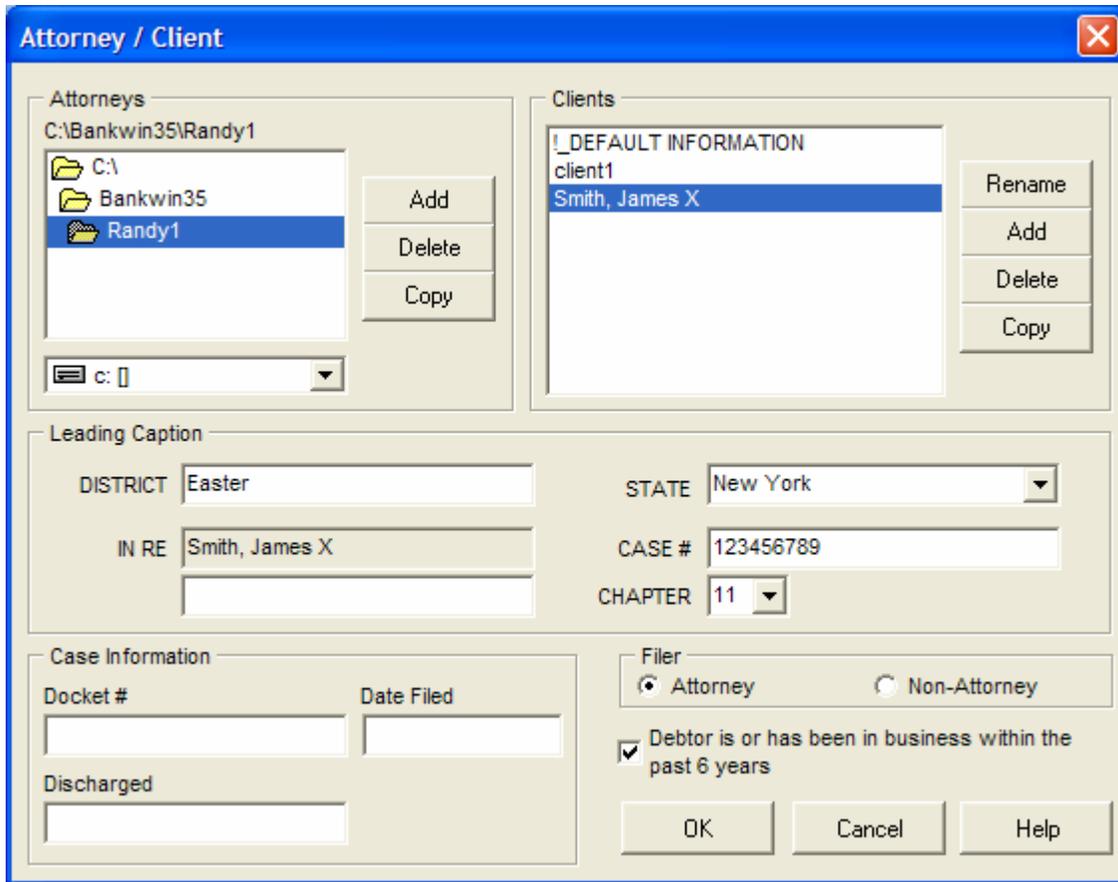


Figure 3

Accessing an Existing Database and Client

Before processing a bankruptcy, you must select a database and client.

1. Select the ATTORNEY/CLIENT option in the Main Menu.
2. When the Attorney/Client screen appears, double-click on the name of your database from the list under the Bank directory (located on the left-hand corner of the screen).
3. Select a client name from the list of clients located in the Clients box on the right. The Leading Caption and Case Information for the client you selected will appear.
4. Select the button at the bottom of the screen to exit to the Main Menu. The client's name will appear in the center of the screen above the Main Menu options. You are now ready to process a bankruptcy for the client.

NOTE! If you need to enter a new client, select the  button in the Clients section.

Processing a Voluntary Petition

The Voluntary Petition is the initial two-page form required for all bankruptcy filings. When you select the VOLUNTARY PETITION option from the Main Menu, both pages become available for you to enter data. The Voluntary Petition screen is called a static data entry screen because it is a duplicate of the actual printed form. Filling in a static data entry screen is like typing the form on a typewriter, i.e., you type in the actual area using your keyboard. A major difference is that you have the word processing capabilities not available on a typewriter.

To Process a Voluntary Petition

1. Choose the database and client following the previous instructions and exit to the Main Menu. Your client's name should appear on the Main Menu.
2. Select the VOLUNTARY PETITION from the Main Menu . The Voluntary Petition data entry screen appears.

IMPORTANT NOTE! The Voluntary Petition data entry screen looks like the hard copy of the form. However, you cannot see the entire form on the screen at once. The screen will automatically scroll as entries are made. Also, there is a scroll bar provided on the right side of the screen.

3. Type in the required information. The cursor will move through the form in a logical manner.

NOTE! There are various checkboxes and circles located throughout this screen pertaining to type of debtor, nature of the debt, etc. Use your mouse to make selections.

4. When you complete page one, click on the red Page Two located on the top of the screen.
5. Enter the required information on page two.

NOTE! If you are filing under Chapter 11, be sure to check the box indicating that Exhibit "A" is attached.

6. When you have completed both pages, print the Voluntary Petition or exit to the Main Menu. To print, see Chapter3: Printing. The first time you print, you must set up and align your printer. You may also select Print Preview from the main menu to view the form before printing. When your printer is correctly set up and aligned, select Print from the menu bar with your mouse. Next, select Print from the menu selections using your

mouse. To exit to the Main Menu, select Return from the menu bar using your mouse, and select Save Changes to save your data.

7. If you are going to be processing your Bankruptcy via “Electronic Filing” then you must fill out the page. This is used to create the debtor file used in the Case Upload.

The screenshot shows a software window titled "Voluntary Petition" with a menu bar (File, Edit, Tools, Help) and a toolbar containing icons for file operations and a "Comments" button. The main area displays "CLIENT: BILLY BRIGGS" and a tabbed interface with "Case Upload Debtor File" selected. The form is divided into sections for "Fields for Text file", "Debtor", and "Joint Debtor".

Fields for Text file

Type: Voluntary

Debtor

First	Middle	Last
BILLY		BRIGGS
Title		Generation
Social Security Number		Tax Payer ID
111111111		
Office		County Code
		36047
Country		Phone Number
USA		7185551212
ProSe		Party Text
No		

Joint Debtor

First	Middle	Last
SUSAN		BRIGGS
Title		Generation

Processing Schedules

NOTE! If you are not familiar with processing the schedules you can print the official instructions.

1. Select PRINT FORMS from the Main Menu.
2. Select SCHEDULES INSTRUCTIONS from the Print Forms screen. (The button changes from dark to light when selected).
3. Select the PRINT button.

Most of the Schedules are dynamic forms (i.e., can be any length). The data entry screens are different from the static form screens. Each dynamic data entry screen contains the Navigator (described in Chapter 1). The information required varies depending on the type of bankruptcy being filed. A variety of options to complete the data entry process are available, including checkboxes, pull-down selections, data entry fields, and look-up tables. The screen changes based on the selection you choose.

The Schedules Menu

Select Schedules from the Main Menu and a list of data entry screens appear. The Schedules Menu has five options:

Property (A, B, C) – To enter data pertaining to property in order to process Schedules A, B and C.

Creditors, Debtors, Codebtors (D, E, F, H) - To enter data about creditors, debtors and Codebtors. Access a list of common creditors. Complete the Declaration Concerning Schedules. Process Schedules, D, E, F and H.

Income, Expenditures, Contracts and Leases (G, I, J) – To enter data pertaining to income, expenditures, contracts and leases in order to process Schedules G, I and J.

Summary of Schedules – To view, edit and print the Summary of Schedules.

Exit – To exit the Main Menu.

Processing Schedules Pertaining to Property

1. Select PROPERTY (A, B, C) from the Schedules Menu.
2. A Property Screen appears (Figure 5). First select a Category of Property (Real or Personal). If you select Personal, the bottom of the screen will change and ask for information required for Schedule B.
3. Select who the property belongs to (H, W, J, C that is, Husband, Wife, Joint, Community) and type in a description and location of the property.

4. If the property is claimed as exempt, select the checkbox “Claimed as Exempt.” The screen will once again change and ask for additional information pertaining to Schedule C.

The screenshot shows a software window titled "Property" with a menu bar (File, Edit, Tools, View, Help) and a toolbar. The client name is "Enis Althardt". The current property is "Property 2 of 4".

General Information

Category of Property: Real, Personal

H, W, J, C: [BLANK], Husband, Wife, Joint, Community

Claimed as Exempt:

Description and Location of Property: Checking account, First Commonwealth Bank, E. Pittsburgh Street, Greensburg PA 15601

Schedule B specific information

Type of Property: 02 (Checking, savings or other financial accounts, certificates of deposit, or shares in banks, savings and loan, thrift, building and loan, and homestead associations, or credit unions, brokerage houses, or cooperatives.)

Current Market Value of Debtor's Interest in Property Without Deducting Any Secured Claim or Exemption: 50.00

Figure 4

To complete the Schedules, take the following into account:

- (A) If you selected Personal as the Category of Property, a list of 33 different types of property become available. Select a type of personal property from the list by clicking on the up or down arrow located on the screen.
- (B) If you checked “Claimed as Exempt” a box appears in the Schedule Specific Information. Note that there is a small button located next to this box. This button allows you to view a list of exemptions.

This list includes the federal exemptions. You may add state exemptions if needed. When you select this button a list of exemptions will appear. To select an exemption use your mouse to highlight the exemptions, then select . You have the options of adding the exemption(s) now or accessing a list form another system (if available).

To Add Exemptions: Whether you are adding the specific exemption you need now or all the exemptions for future reference, follow these rules:

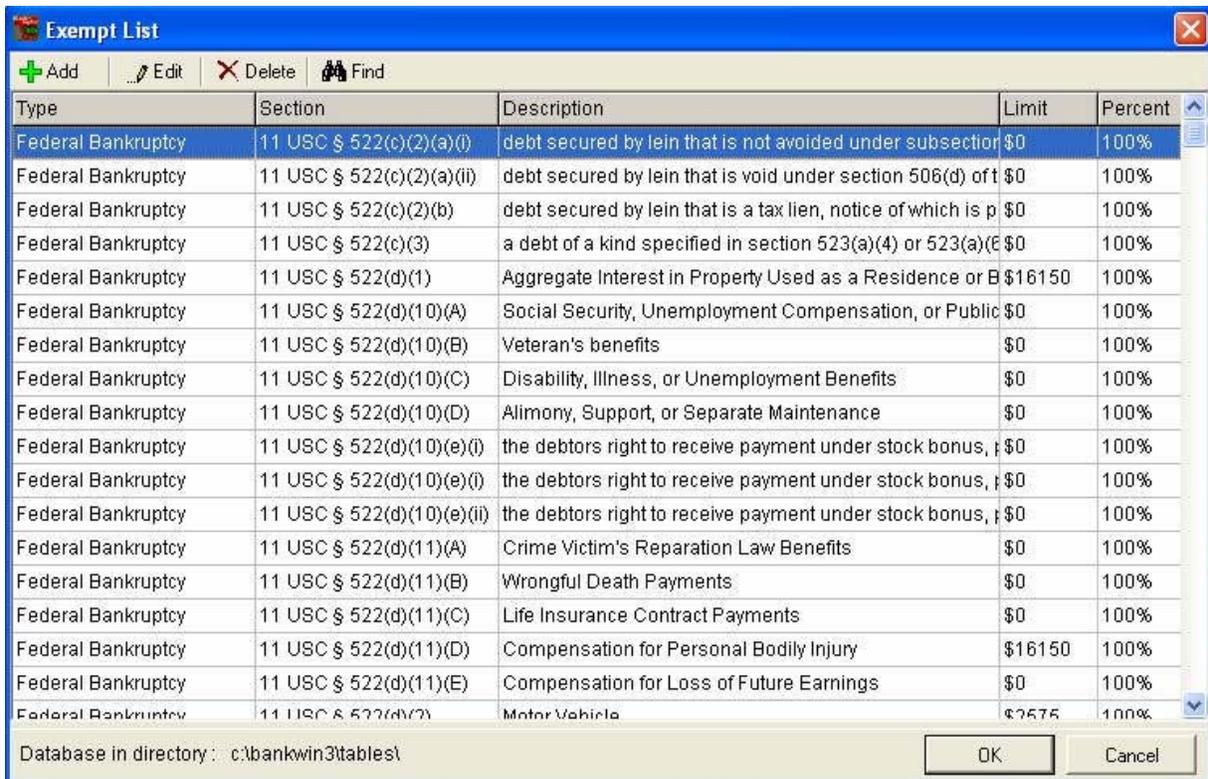
(a) Select from the Exempt List box then select the button.

(b) A small box appears. Type the exemption in it and select .

(c) Repeat the process to add other exemptions.

(d) When you have finished, select on the Exempt List screen to return to the Property Screen.

NOTE: To modify or delete an exemption from the list, select the exemption in the Exempt List Screen, select (See Figure 5).



(See Figure 5)

IMPORTANT! When you have completed the information on the first type of property, select the + on the Navigator to add another entry or the check mark on the Navigator to save the entry. Then select Exit on the Menu Bar.

NOTE! If you have listed several types of property you may wish to review, edit or delete entries using the Navigator. Review the information in Chapter 1 on Using the Navigator.

Important View Options: Choose VIEW in the menu bar to see Real Property, Personal Property, Exempt Property and All Information entries. When you select one of these options only the information about that option becomes available in the Navigator, (e.g., if you select Exempt Property from the View menu, only entries pertaining to Exempt Property can be accessed via the Navigator. Select All Information, and all the information for all types of property becomes available.

NOTE! All information is the default selection the program automatically selects.

5. When you have finished entering and reviewing the property information you have the option of printing the Schedule(s) now or waiting to print them with all other forms later.
6. To print, refer to Chapter 3: Printing... When you are sure that your printer has been set up correctly, select Printing from the menu bar with your mouse. Next, select Print from the menu selections, using your mouse and choose the Schedule you would like to print. To exit to the Schedules Menu, select Exit from the menu bar using your mouse.

NOTE! The system automatically saves each entry when + in the Navigator is selected. However, if you forget to save the last entry, by pressing the check mark in the Navigator, and exit to the Schedules Menu, you will be asked if you wish to save your last entry before exiting the Property data entry. Select the



EXIT option in the Schedules Menu to exit to the Main Menu.

Processing Creditors, Debtors and Co-Debtors Schedules

1. Select CREDITORS, DEBTORS, CO-DEBTORS (D, E, F, H) from the Schedules Menu.

NOTE! You should have already selected or added your client and the client's name should appear on the Schedules Menu screen.

2. A screen appears with the client's name at the top, followed by three tabs: Creditors, Codebtors and Declaration Concerning Schedules (See

Figure 6). Each tab represents a different data entry screen. The first two screens, Creditors and Codebtors are dynamic and therefore utilize the Navigator, (see Chapter 1, Using the Navigator). The Declaration screen is static. To get from one data entry screen to another, click on the appropriate tab.

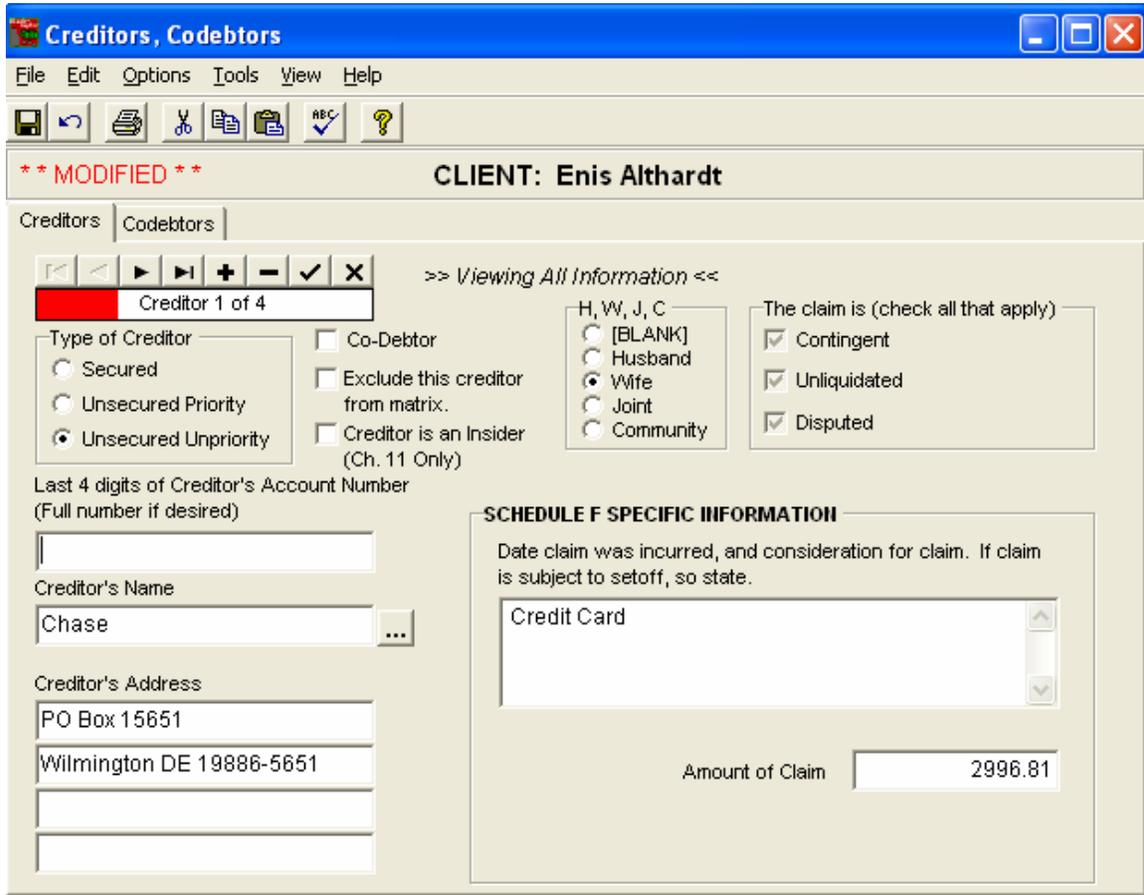


Figure 6

To enter creditor information, select a type of creditor (secured, unsecured priority, or unsecured unpriority). The specific information section of the screen changes depending on which type of creditor you select. Next, select whether there is a co-debtor, the person(s) liable for the claim, whether the claim is contingent, unliquidated or disputed, and the creditor's account number. You may notice a small button next to the creditor's name . It enables you to access a list of common creditors. This list is created in your office, either through the Schedules screen or in Utilities (refer to Chapter 6: Utilities for more information on creating the Common Creditor Database. When you select a creditor from this list, highlight the name of the creditor and select . The creditor's name and mailing address will automatically appear in the appropriate area in the Creditors screen.

NOTE! If the list of Common Creditors is located in a different directory or on a different system in your office, you can access it by selecting the Options pull-down menu in the Creditors screen.

If the current creditor is not available on the list (or if no list has been entered) you can add the creditor through the Creditor screen. To do this, enter the creditor's name and mailing address in the appropriate area on the Creditor screen, select the small button next to the creditor's name and then select the  button.

NOTE! Creditors cannot be deleted or edited in this manner. Refer to the section in Utilities about the Common Creditor Database for instructions on changing or deleting creditors from the list of common creditors.

3. Next complete the Schedule Specific Information area and then select  in the Navigator to enter another creditor or the  in the Navigator to save this entry. Whenever you select the  in the Navigator, your entry is saved. Continue entering creditors and select the  to save your last entry.

View Options: The VIEW pull-down menu in the menu bar gives you the option of viewing Secured Creditors, Unsecured Priority Creditors, Unsecured Unpriority Creditors and All Information entries. When you select one, only the information about that option is available in the Navigator. (e.g., Select Secured Creditors from the View menu; only entries pertaining to Secured Creditors are accessed by the Navigator. Select All Information, and information for all types of creditors is available.

NOTE! All Information is the default selection.

4. If there are no codebtors, skip this section and go on to the next. To <enter> Codebtor information for Schedule H, click on the Codebtor tab on the screen. The Codebtors screen appears listing the first creditor with a codebtor on the account. Each creditor you checked, the Codebtor box appears in the Codebtors screen. Type the name and address of the codebtor and then select  the on the Navigator and your information is saved.

NOTE! You can add codebtors by selecting  in the Navigator. To access the list of Common Creditors, select the  next to the Creditor Name field. (Refer to item #3 in this section for more information on using the list of Common Creditors).

5. Click on the Decl. Concerning Scheds. Tab and the Declaration screen appears. Fill in the appropriate information about the current bankruptcy, using the scroll bar on the right to view the entire screen.

6. When you have completed all the appropriate information needed on the screens for creditors, debtors and codebtors, you can print the Schedule(s) now or wait to print them with all other forms.

To print, refer to the Chapter 3 printing chapter to set up and align your printer. When your printer is correctly set up, select Printing from the menu bar with your mouse. Next, select Print from the pull down menu with your mouse and select the schedule you would like to print. To return to the Schedules Menu, select EXIT from the menu bar.

NOTE! The system automatically saves each entry when you select in the Navigator. However, if you forget to save the last entry (by pressing in the Navigator), and exit to the Schedules Menu, you will be asked if you wish to save your last entry before exiting the Property data entry.

7. Select the EXIT option in the Schedules Menu to return to the Main Menu.

Processing Schedules for Income, Expenditures, Contracts and Leases (G, I, J)

1. Select INCOME, EXPENDITURES, CONTRACTS & LEASES (G, I, J) from the Schedules Menu.
2. A screen will appear with three tabs. Each tab represents a different data entry screen for income, expenditures, and contracts and leases. The Income and Expenditures screens are both static screens. Enter data in the required fields. The Contracts and Leases screen, on the other hand, is dynamic and requires the use of the Navigator (see Chapter 1).
3. The Income screen appears on the top when you select INCOME, EXPENDITURES, CONTRACTS & LEASES (G, I, J) from the Schedules Menu. Complete the income information required for the debtor, spouse and dependents (if applicable) to process Schedule I – Current Income of Individual Debtor(s).

NOTE! You do not need to type the \$ sign in the amount columns. The columns labeled “spouse” must be completed in all cases whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.

4. Select the Expenditures tab to complete Schedule J – Current Expenditures of Individual Debtors. Note that there are two buttons in the top left-hand corner of the screen (Debtor & Spouse). Selecting one enables you to enter and view the debtor’s or the spouse’s expenditure information in cases where the spouse maintains a separate household and a separate Schedule J is filed. (Be sure to check the check-box located near the top of is screen indicating that this is the case). Complete the information about the debtor’s expenditures; then select the spouse button and complete the information on the spouse’s expenditures (if a separate Schedule J is filed).

5. Select the Contracts and Leases tab to process Schedule G – Executory Contracts and Unexpired Leases. A dynamic data entry screen appears to enter all executory contracts and unexpired leases of real and personal property. Enter each contract and lease, being sure to include the name, mailing address, etc. Use the on the Navigator to add each entry. Press the on the Navigator to save your last entry before leaving this screen. When you have finished entering each executory contract and unexpired lease, you have the option of printing the Schedule(s) now or with all other forms later.
6. To print, refer to the printing chapter to set up and align your printer. When your printer is correctly setup, select Print from the menu bar with your mouse. Next, select Print from the menu selections with your mouse and select the schedule you wish to print. To return to the Schedules Menu, select EXIT from the menu bar using your mouse.

NOTE! The system automatically saves each entry when the Navigator is selected. However, if you forget to save the last entry and try to exit to the Schedules Menu, you will be asked if you wish to save your last entry before exiting the Property data entry.

7. Select the EXIT option in the Schedules Menu to return to the Main Menu.

Accessing Summary of Schedules

1. Select SUMMARY OF SCHEDULES in the Schedules Menu to view, edit and print the Summary of Schedules. You will be asked to confirm whether you would like the system to re-calculate the Summary of Schedules totals from the existing Schedule information. Select YES or NO to continue. The program automatically does the math and calculates the number of pages. A next to each schedule indicates whether each schedule is attached. In the bottom left hand corner of the screen is a button entitled Instructions. Selecting this button brings up the General Instructions for the Summary of Schedules. Review these general instructions first. The program automatically checks all the boxes that apply. The operator can override information on the Summary. Check the instructions and change or add any information as necessary.
2. You can print the Summary of Schedules now or print them with all other forms later.
3. To print, refer to Chapter 3: printing to set up your printer. When your printer has been correctly set up, select the Printing from the menu bar with your mouse. Next, select Print from the menu selections using your mouse. To exit the Main Menu, select Return from the menu bar using your mouse.

4. Select the EXIT option in the Schedules Menu to return to the Main Menu.

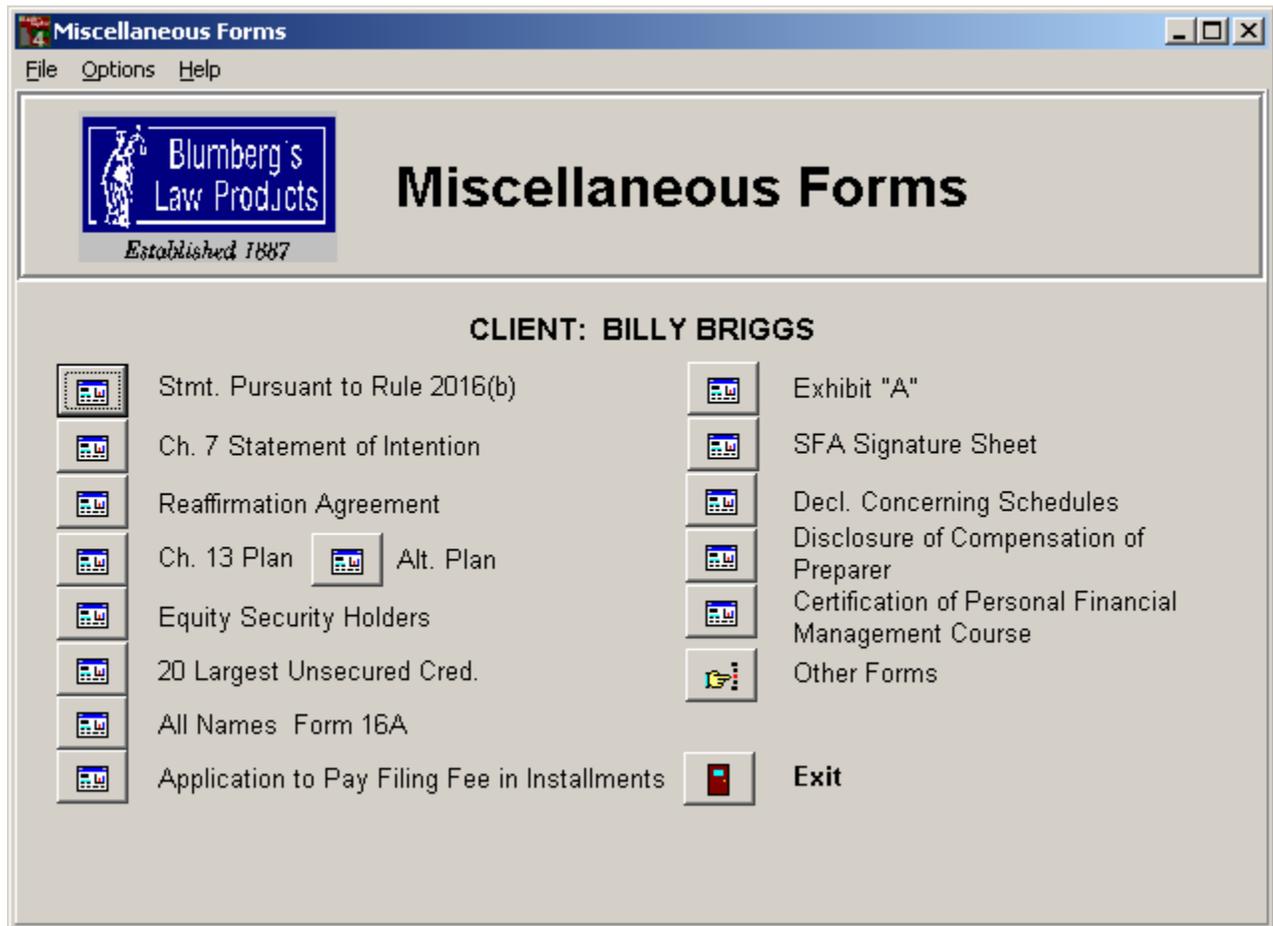


Figure 7

When you select the MISCELLANEOUS FORMS option in the Main Menu a second menu appears with the names of other Bankruptcy form such as Exhibit “A”, Chapter 7 Statement of Intention, SFA Signature Sheet, etc. Most of these are static forms (i.e., screens that closely match the actual form.) Enter the required information in the data entry fields provided. The only data entry screens that are not static are the Reaffirmation Agreement and the Equity Security Holders. In addition, there is an option on this menu to access other forms. These forms include the Federal Bankruptcy Cover, Designation of Agent, and Verification of Creditor Matrix. These forms are static.

1. The 20 Largest Unsecured Creditors screen includes a NOTES button to access notes to the 20 Largest Unsecured Creditors Report .
2. In the Disclosure of Compensation of Preparer the Balance Due column is automatically calculated.

Each miscellaneous form can be printed at the time you enter the data by simply selecting the FILE pull-down menu in each data entry screen and select PRINT or PRINT PREVIEW. However, you will need to be sure that your printer is correctly setup. If you are unsure of the status of your printer setup refers to Chapter 3: Printing.

To return to the Miscellaneous Forms Menu from any data entry screen, select the EXIT pull-down menu and choose whether you would like to save changes or not.

To return to the Main Menu choose the EXIT option in the Miscellaneous Forms Menu (See figure 7.)

Processing the Statement of Financial Affairs

The screenshot shows a software window titled "Statement of Financial Affairs". The window has a menu bar with "File", "Edit", "Options", "Tools", and "Help". Below the menu bar is a toolbar with icons for Save, Undo, Print, Copy, Paste, ABC, and Help. The main area of the window displays "CLIENT: Enis Althardt" and "Statement of Financial Affairs". Below this, there is a "Statement of Financial Affairs Category" section with a dropdown menu showing "01" and a list box containing "INCOME FROM EMPLOYMENT OR OPERATION OF BUSINESS". A text box below the list box contains the instruction: "State the gross amount of income the debtor has received from employment, trade, or profession, or from operation of the debtor's business from the beginning of this calendar year to the date this case was commenced. State also the gross amounts received during the two years". To the right of the text box are navigation arrows and a plus sign. At the bottom, there are two input fields labeled "Amount" and "Source".

Figure7

The Statement of Financial Affairs provides information about the debtor's recent financial transactions, such as payments to creditors, sales or other transfers of property and gifts. The Statement of Financial Affairs data entry screen allows you to enter data for either Personal or Business filings. This entry screen is dynamic and therefore requires the use of the Navigator (see Chapter 1). Using the Navigator within this screen enables you to enter several categories of financial affairs.

To Prepare a Statement of Financial Affairs:

1. Select STATEMENT OF FINANCIAL AFFAIRS from the Main Menu. NOTE! You should have already selected your database and client and the client's name should appear on the Main Menu.
2. The Statement of Financial Affairs screen will appear (see Figure 8). First select the type of bankruptcy being filed (Personal or Business).
3. Next select a category from the Statement of Affairs Category box. There are 18 different categories of financial affairs in a consumer filing, and 25 in a business filing. To select a category, click on the up or down arrow in the box next to the number 01.
The information in the Category box will change depending on the number selected. In addition, the data entry fields located on the bottom of the screen will also change according to the category selected.
4. Enter the required information in the data entry fields at the bottom of the screen and then press  in the Navigator to add another entry to the category (or the check mark to save the last entry).
5. When you have finished entering all the appropriate categories for the current Statement of Financial Affairs, you can print the Statement now or wait to print it with all other forms. To print, refer to the printing chapter to set up and align your printer. When your printer has been correctly set up, select Print from the menu selections using your mouse. To return to the Main Menu, select EXIT from the menu bar using your mouse.

NOTE! The system automatically saves each entry when the  on the navigator is selected. However, if you forget to save the last entry, press the  on the Navigator, and Exit the Main Menu. The system will also save the last entry. However, it is recommended that you use the save button in the Navigator.

Mailing Lists

Many districts require entries to be printed on the top of the Creditor Mailing List, such as debtor's name and social security number, taxing authority, debtor's attorney, etc. The Mailing List section of Blankrupter allows you to prepare a mailing list of all creditors and other address/information specified by the courts. The mailing list is printed in several formats and may be delivered on a diskette in ASCII format.

When you select MAILING LISTS from the Main Menu a second Mailing List Menu appears listing three options (Additional Entries, Print Mailing List, or Exit).

To Add Unique Entries at Top of the Creditor Mailing List:

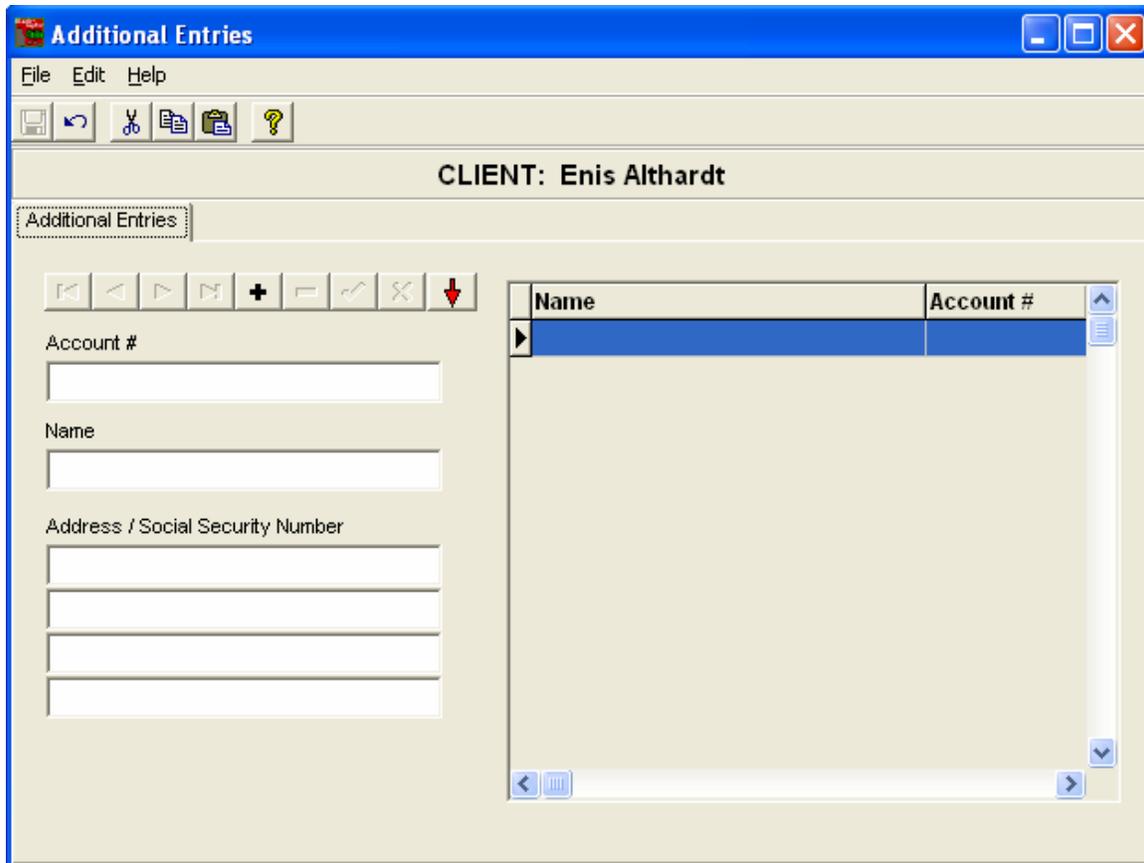


Figure 9

1. Select ADDITIONAL ENTRIES from the Mailing List Menu. A dynamic data entry screen appears to add names and information to the Creditors mailing list. You can also control the order the entries appear in the screen. To add an entry, type the account number (if applicable), then the name, address/social security number. The name automatically appears in the box on the right.
2. Select  in the Navigator to add another unique entry.

NOTE! Each entry appears above the last one. To start each new entry at the bottom of the list, select the red down arrow in the Navigator. Use the backward and forward arrows in the Navigator to review your entry. If an entry happens to be in the wrong location, you can use the  button in the Navigator to delete the entry and then enter it again in the correct location.

3. When you have finished entering additional entries, select  in the Navigator to save your changes, then select EXIT in the menu bar.

To Print, Convert and Save the Mailing List:

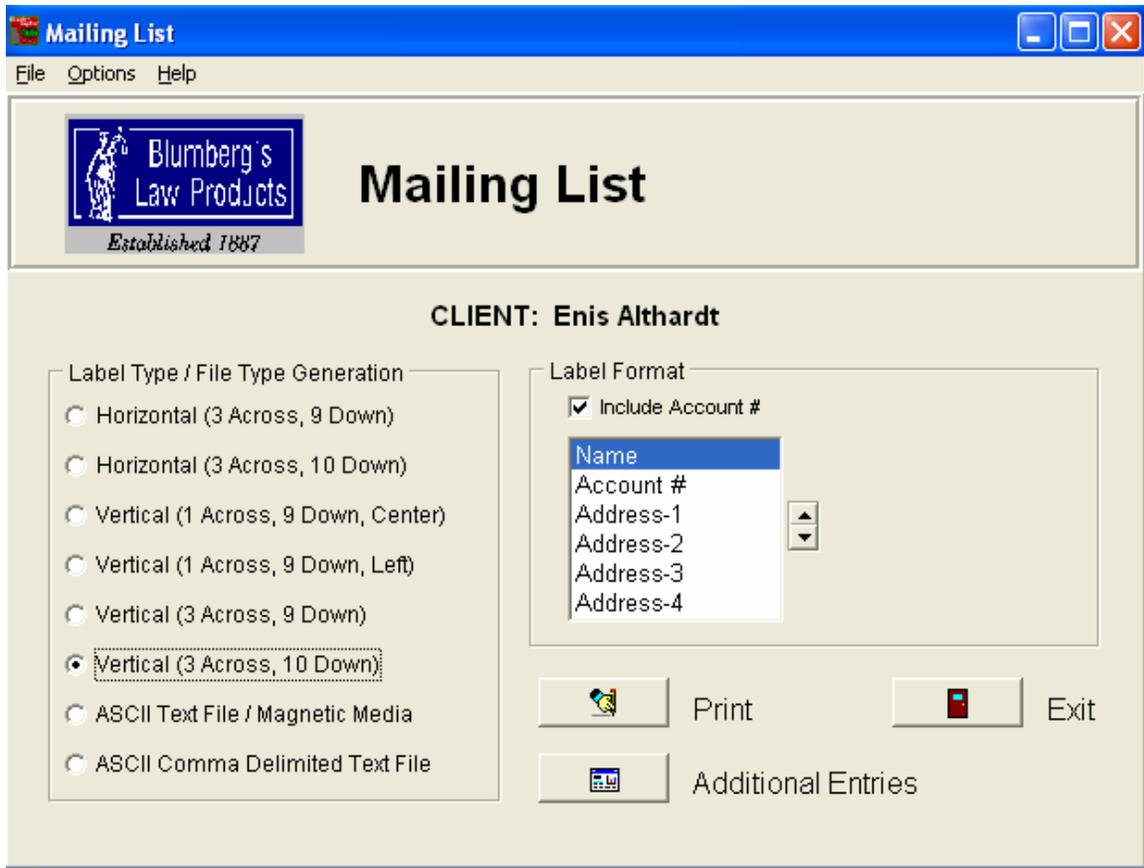


Figure 10

1. Select PRINT MAILING LIST from the Mailing List Menu .
2. A screen will appear listing several options for printing and converting/ saving the mailing list, including: Label Type, Label Format, Number of spaces between each label, save the mailing list as either an ASCII Text File/Magnetic Media or an ASCII Comma Delimited Text File, Print or Exit. Choose the label type and format to print mailing labels, or one of the ASCII formats to convert/save your mailing list.

NOTE! If you choose to save the mailing list in one of the format, a separate “Save/ File As ...” dialog box will appear. This is the standard Windows screen that Specifies where you want to save the name and location of your file.

2. Select EXIT to return to the Mailing List Menu and then EXIT again to return to the Main Menu.

CHAPTER 3: PRINTING THE FORMS

Whether you are printing each form at the time you enter it or all the forms at once, be sure that your printer is correctly set up. Forms can be printed through each data entry screen, the PRINT PREVIEW screen option or from the PRINT FORMS screen. The Printer Setup option is available through the OPTIONS pull-down menu in the PRINT FORMS screen or the PRINTING option in each data entry screen.

To Setup Your Printer

Select PRINTER SETUP from the FILE pull-down menu in the data entry screens. The system will choose the current printer selected by the Windows Print Manager as the default printer. To set up a different printer, select Specific Printer in the Print Setup screen and then choose a printer and location.

NOTE! Make sure that the orientation and paper size are correct.

REFER TO YOUR PRINTER OR WINDOWS USER GUIDES FOR MORE INFORMATION ON USING THE PRINT MANAGER.

To Print Several Forms at One Time:

Select PRINT FORMS from the Main Menu. A separate PRINT FORMS screen will appear. You can select each form by clicking on the form name or choosing the blue SELECT ALL OTHER FORMS and/or SELECT ALL SCHEDULES as appropriate.

NOTE! You can tell a form is selected when it turns a lighter color...

Once you have chosen the forms, select the PRINT button. To reverse a choice, click on the form name or the DESELECT ALL SCHEDULES or DESELECT ALL OTHER FORMS buttons.

Select the EXIT button to return to the Main Menu.

Print Preview

Forms may be viewed on the screen as they will appear on paper. This is done by selecting "PRINT PREVIEW" from the "FILE" menu option.

After viewing the form on the screen and verifying its contents, you may print the form from the "PRINT PREVIEW" screen by pressing the PRINT button.

CHAPTER 4: Electronic Filing

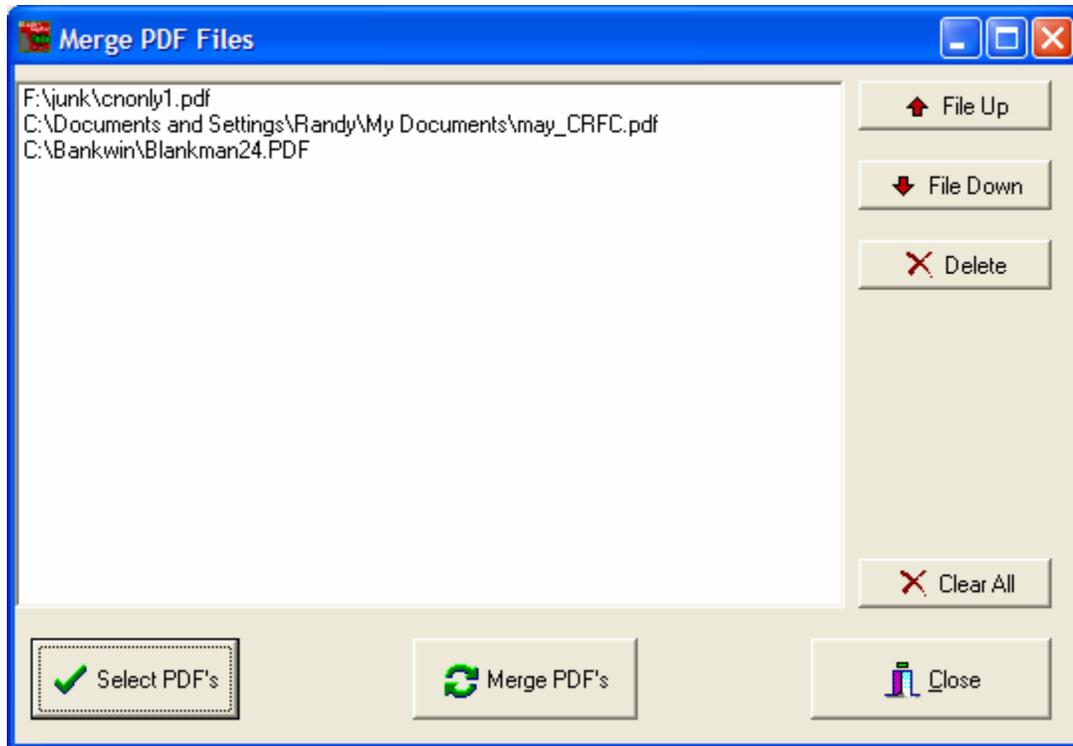
This process will allow you to generate an electronic document containing all the forms you request. The electronic document is generated in PDF format. This PDF document may be viewed using Adobe Acrobat, or Adobe Acrobat Reader.

To build a PDF file of the bankruptcy you must set up your Blankrupter to do so.

When electronic filing is required, a PDF file of all or selected bankruptcy files can be built.

From the Print Forms Screen, select the forms you want included in your electronic filing, check the yes button under Electronic Filing, enter the Electronic Signatures (see notice below) and press Print.

NOTE ELECTRONIC FILING!



The electronic signatures usually consist of the characters "S/", electronic signature, followed by the full name. Please check with your Bankruptcy Clerk for details as to how your district designates electronic signatures. You will also be asked if you want to create a Debtors File. This is the file that is used in Case uploads and should be sent along with the PDF file that is created and if required, a copy of the creditors matrix in text format (Magnetic media).

If local forms are required, they can be generated in PDF format and merged to the primary bankruptcy PDF file using the Merge button. 

To build PDF file, first create the primary PDF file using Blankrupter. After the user has a primary bankruptcy file they may then add (merge) their local PDF file to the primary file in the order shown on the screen. To change the order use the up and down buttons. To perform the merge and generate a new file press the Merge PDF'S button.



Print Forms * To adjust the order of print, use the Utilities section to adjust the order

CLIENT: BILLY BRIGGS

Schedules | Other Forms

<input checked="" type="checkbox"/> Clerk's Notice	<input type="checkbox"/> Equity Security Holders	<input checked="" type="checkbox"/> Statement Of Social Security Numbers
<input checked="" type="checkbox"/> Vol. Petition 1	<input checked="" type="checkbox"/> 20 Largest Creditors	<input checked="" type="checkbox"/> Declaration RE: Electronic Filing
<input checked="" type="checkbox"/> Vol. Petition 2	<input type="checkbox"/> Exhibit "A"	<input checked="" type="checkbox"/> Filing Fee Installments App
<input type="checkbox"/> Exhibit C	<input type="checkbox"/> Verification of Creditor Matrix	<input type="checkbox"/> Waiver of the Ch7 Filing Fee
<input type="checkbox"/> InVol. Petition	<input type="checkbox"/> Cert of Non-Attorney Preparer	<input type="checkbox"/> Means Test Ch7
<input type="checkbox"/> Stmt. of Compen, Rule 2016(b)	<input type="checkbox"/> Discl. of Compen. of Preparer	<input type="checkbox"/> Means Test Ch11
<input type="checkbox"/> Ch. 7 - Stmt. of Intentions	<input checked="" type="checkbox"/> Federal Bankruptcy Cover	<input type="checkbox"/> Means Test Ch13
<input type="checkbox"/> Designation of Agent	<input type="checkbox"/> Stmt. of Financial Affairs	<input checked="" type="checkbox"/> Cert Of Financial Mgt Class
<input type="checkbox"/> Mailing List	<input type="checkbox"/> SFA Signature Sheet	
<input type="checkbox"/> Reaffirmation Agreement	<input type="checkbox"/> Decl. Concerning Schedules	
<input type="checkbox"/> Ch. 13 Plan	<input type="checkbox"/> Proof of Claim	
<input type="checkbox"/> Ch. 13 Plan Alternate	<input type="checkbox"/> Schedule Instructions	

Select All | Unselect All

Electronic Signatures

Client	<input type="text" value="s:/BILLY BRIGGS"/>
Attorney	<input type="text" value="s:/BERNIE ATTORNIE"/>
Co Debtor	<input type="text" value="s:/SUSAN BRIGGS"/>
Non Attorney Prep	<input type="text"/>
Corp Signature	<input type="text"/>
Foreign Signature	<input type="text"/>

Amended

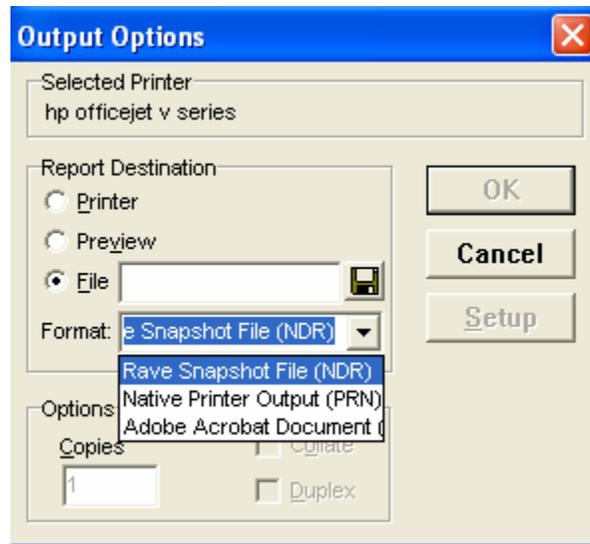
Electronic Filing

Yes No

E-Signature Date

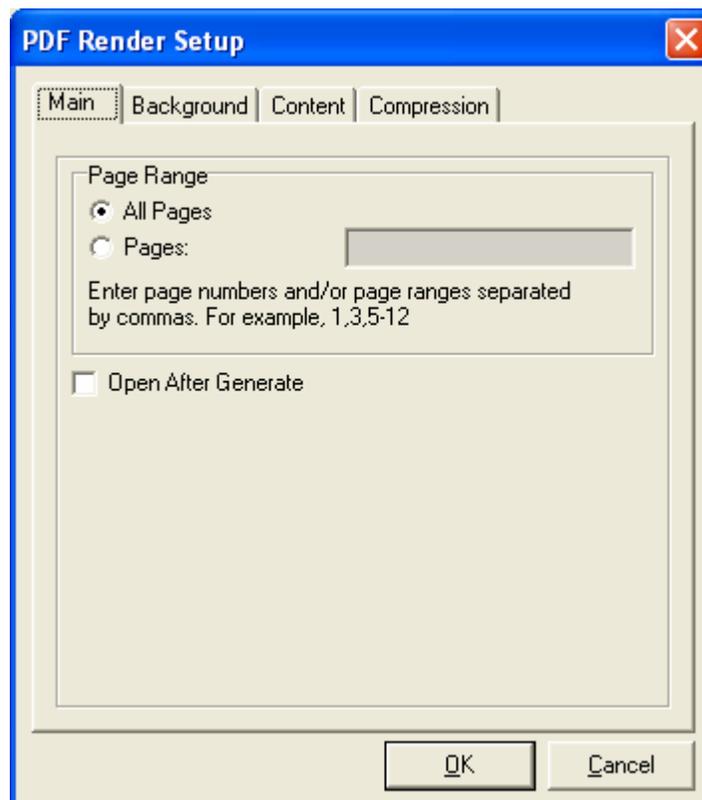
Print Merge Exit

After pressing the Print button, you will be presented with the screen below. From this screen, select File and then from the format box select Adobe Acrobat Document. Then click on the little diskette icon to select the location and the name of the file.



From the PDF Render Screen, select OK to create your PDF. You may use the Background, Content and Compression to adjust the look and size of the PDF file that will be generated.

NOTE! If you are saving your PDF to a 3 1/2 “ floppy, remember they only hold 1.4 MB of data.



CHAPTER 5: SPECIAL FEATURES

Setting up and selecting the Client Default Information

Once you become familiar with this software, you can save time by setting up default client information. This is information common to all bankruptcies filed, such as attorney and firm name, district, etc. This information can be entered once and then be added to each new client without entering it again.

To Enter the Default Client Information:

Select “! _Default Information” in the Client box, then enter the default information throughout the system (i.e., go into each screen and enter default information). Each time a new client is added, the system will ask you if you would like to add the default information. Choose YES to do this.

Accessing the Windows Calculator

Select the F8 key on your keyboard to bring up the Windows Calculator.

NOTE! This option is only available when you are in a data entry screen.

To remove the calculator press Alt F4 or select close.

Short-Cut Exit From Data Entry Screen

Select F4 to exit any data entry screen.

Editing and Deleting a Client File:

1. Select the ATTORNEY/CLIENT file from the Main Menu.
2. Double-click on the name of the database (directory) that contains the client you would like to edit or delete.
3. Select the client name to edit or delete from the list of clients in the Clients box.
4. To edit client information, being processing as normal (i.e., exit to Main Menu and then go to the screen that contains the information you want to edit). Select the DELETE button to delete the client from the database.

CHAPTER 6: UTILITIES

To access the Utilities options:

Select UTILITIES from the Main Menu .

A Utilities screen will appear with a series of tabs at the top of the screen. Each tab represents a different option, which will be described below. To select an option, select Tab and a data entry screen will appear.

Common Creditors Utility Option:

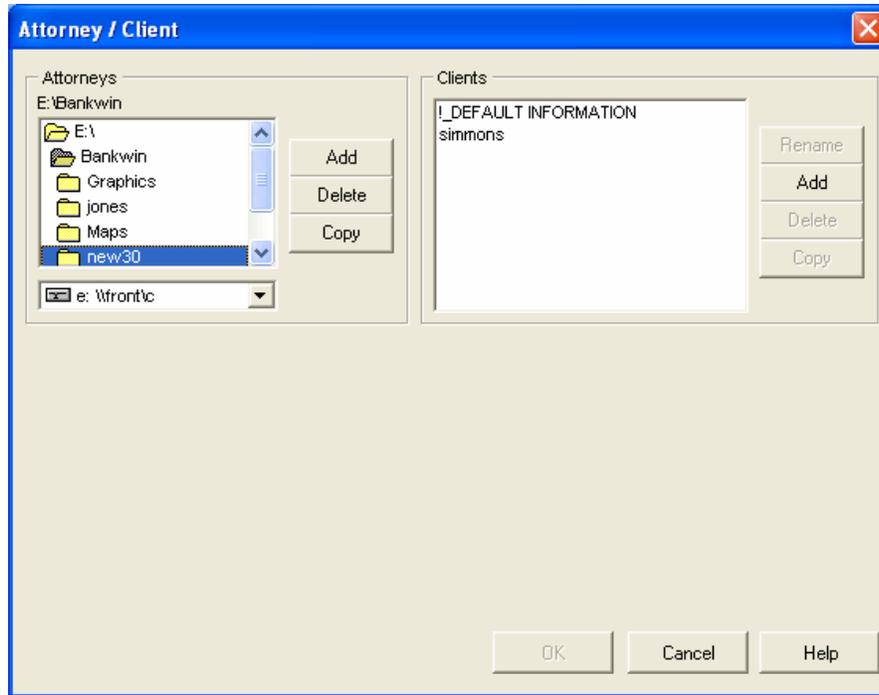
This option allows you to create, copy, move, or delete a list of common creditors. Select a database containing a list of common creditors, or add/delete/modify creditors from an existing list of common creditors. This list is created by you, or someone in your firm, for use every time you process a bankruptcy. It is recommended that you create a list of Common Creditors as soon as possible once you become familiar with the program. This will save a lot of time in the future and allow other users to access the list. This list can be edited, deleted or modified at any time through this Utility. In addition, you also have the ability to add a creditor to the list in the Creditors, Debtors, Codebtors screen. To edit, delete, modify or add Common Creditors, select an option from the list of options and follow the instructions on the screen.

NOTE! You can enter more than one Common Creditor database into the system by changing the directory name.

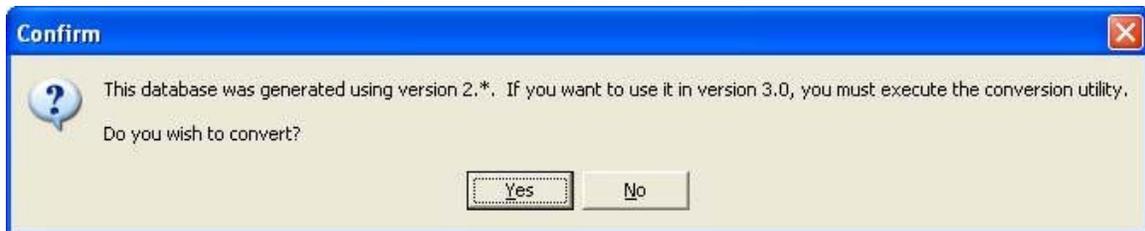
CHAPTER 7: Data Conversion from an Earlier Blankrupter Program

Data Conversion

If you have been using a pervious version of Blankrupter, like version 2.7, and would like to use those clients from the previous version in your Blankrupter 4.0, you will need to convert the attorney folder. This is done by going to the Attorney Client Screen and select the attorney folder you were using in the previous version.



Upon selection of the attorney folder, if the folder has not yet been converted, you will get a message stating that conversion is necessary to proceed. Click the yes button.



You will then see your clients and can begin processing bankruptcies from this attorney folder.

CHAPTER 8: The Means Test

The Means Test – The new 2005 Bankruptcy Act provides for three new Means Test forms, 22A for Chapter 7, 22B for Chapter 11 and 22C for Chapter 13. Among other purpose the Chapter 7 Means Test initially determines whether the Debtor is eligible to file under Chapter 7 or must, instead file under Chapter 13. If the calculations show that the Debtor is not eligible for a Chapter 7 filing, Blankrupter will take the user to the Chapter 13 questions.

The screenshot shows a software window titled "Means Test" with a menu bar (File, Edit, Tools, Help) and a toolbar. The main area is titled "BILLY BRIGGS" and has several tabs: Basic, II Income, III Exclusion, IV Marital Adj., V Deductions, VI Determination, and VII Ot. The "Basic" tab is selected, showing "General Information".

General Information:

- Check if debts are non-consumer or converted from Chapter 13
- Check if debtor is a disabled veteran (as defined in 38 U.S.C. § 3741(1)) whose indebtedness occurred primarily during a period in which the debtor was on active duty (as defined in 10 U.S.C. § 101(d)(1) or while the debtor was performing a homeland defense activity (as defined in 32 U.S.C. § 901(1))

Enter the debtor's household size (in number of persons)

State of residence

County of residence

Select District

- EASTERN DISTRICT OF NEW YORK
- NORTHERN DISTRICT OF NEW YORK
- SOUTHERN DISTRICT OF NEW YORK
- WESTERN DISTRICT OF NEW YORK

Current Monthly Income	5,000.00	Monthly Disposable Income	998.00
Expenses	4,002.00	Presumption does not arise.	

The purpose of and further explanations of the Means Test is set forth in the Committee Notes of these new forms, set forth below:

Committee Note

A. Overview

Among the changes introduced by the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 are interlocking provisions defining “current monthly income” and establishing a means test to determine whether relief under Chapter 7 should be presumed abusive. Current monthly income (“CMI”) is defined in § 101(10A) of the Code, and the means test is set out in § 707(b)(2). These provisions have a variety of applications. In Chapter 7, if the debtor’s CMI exceeds a defined level the debtor is subject to the means test, and § 707(b)(2)(C) specifically requires debtors to file a statement of CMI and calculations to determine the applicability of the means test presumption. In Chapters 11 and 13, CMI provides the starting point for determining the disposable income that must be contributed to payments of unsecured creditors. Moreover, Chapter 13 debtors with CMI above defined levels are required by § 1325(b)(3) to complete the means test in order to determine the amount of their monthly disposable income, and pursuant to § 1325(b)(4), the level of CMI determines the “applicable commitment period” over which projected disposable income must be paid to unsecured creditors.

To provide for the reporting and calculation of CMI and for the completion of the means test where required, three separate official forms have been created—one for Chapter 7, one for Chapter 11, and one for Chapter 13. This note first describes the calculation of CMI that is common to all three of the forms, next describes the means test as set out in the Chapter 7 and 13 forms, and finally addresses particular issues that are unique to each of the separate forms.

B. Calculation of CMI

Although Chapters 7, 11, and 13 use CMI for different purposes, the basic computation is the same in each. As defined in § 101(10A), CMI is the monthly average of certain income that the debtor (and in a joint case, the debtor’s spouse) received in the six calendar months before the bankruptcy filing. The definition includes in this average (1) income from all sources, whether or not taxable, and (2) any amount paid by an entity other than the debtor (or the debtor’s spouse in a joint case) on a regular basis for the household expenses of the debtor, the debtor’s dependents, and (in a joint case) the debtor’s spouse if not otherwise a dependent. At the same time, the definition excludes from the averaged income “benefits received under the Social Security Act” and certain payments to victims of terrorism, war crimes, and crimes against humanity.

Each of the forms provide for reporting income items constituting CMI. The items are reported in a set of entry lines—Part II of the Chapter 7 form and Part I of the forms for Chapter 11 and Chapter 13—that include separate columns for reporting income of the debtor and of the debtor’s spouse. The first of these entry lines includes a set of instructions and check boxes indicating when the “debtor’s spouse” column must be completed. The instructions also direct the required averaging of reported income.

The subsequent entry lines specify several common types of income and are followed by a “catch-all” line for other income. The specific entry lines address (a) gross wages; (b) business income; (c) rental income; (d) interest, dividends, and royalties; (e) pension and retirement income; (f) regular contributions to the debtor’s household expenses; and (g) unemployment compensation. Gross wages (before taxes) are required to be entered. Consistent with usage in the Internal Revenue Manual and the American Community Survey of the Census Bureau, business and rental income is defined as gross receipts less ordinary and necessary expenses. Unemployment compensation is given special treatment. Because the federal government provides funding for state unemployment compensation under the Social Security Act, there may be a dispute about whether unemployment compensation is a “benefit received under the Social Security Act.” The forms take no position on the merits of this argument, but give debtors the option of reporting unemployment compensation separately from the CMI calculation. This separate reporting allows parties in interest to determine the materiality of an exclusion of unemployment compensation and to challenge it. The forms provide for totaling the income lines.

C. The means test: deductions from current monthly income

The means test operates by deducting from CMI defined allowances for living expenses and payment of secured and priority debt, leaving disposable income presumptively available to pay unsecured non-priority debt. These deductions from CMI under are set out in § 707(b)(2)(A)(ii)-(iv). The forms for Chapter 7 and Chapter 13 have identical sections (Parts V and III, respectively) for calculating these deductions. The calculations are divided into subparts reflecting three different kinds of allowed deductions.

1. Deductions under IRS standards

Subpart A deals with deductions from CMI, set out in § 707(b)(2)(A)(ii), for “the debtor’s applicable monthly expense amounts specified under the National Standards and Local Standards, and the debtor’s actual monthly expenses for the categories specified as Other Necessary Expenses issued by the Internal Revenue Service for the area in which the debtor resides.” The forms provide entry lines for each of the specified expense deductions under the IRS standards, and instructions on the entry lines identify the website of the U.S. Trustee Program, where the relevant IRS allowances can be found. As with all of the deductions in § 707(b)(2)(A)(ii), deductions under the IRS standards are subject to the proviso that they not include “any payments for debts.”

The IRS National Standards provide a single allowance for food, clothing, household supplies, personal care, and miscellany, depending on income and household size. The forms contain an entry line for the applicable allowance.

The IRS Local Standards provide one set of deductions for housing and utilities and another set for transportation expenses, with different amounts for different areas of the country, depending on the size of the debtor’s family and the number of the debtor’s vehicles. Each of the amounts specified in the Local Standards are treated by the IRS as a

cap on actual expenses, but because § 707(b)(2)(A)(ii) provides for deductions in the “amounts specified under the . . . Local Standards,” the forms treat these amounts as allowed deductions. The forms again direct debtors to the website of the U.S. Trustee Program to obtain the appropriate allowances.

The Local Standards for housing and utilities, as published by the IRS for its internal purposes, present single amounts covering all housing expenses; however, for bankruptcy purposes, the IRS has separated these amounts into a non-mortgage component and a mortgage/rent component. The non-mortgage component covers a variety of expenses involved in maintaining a residence, such as utilities, repairs and maintenance. The mortgage/rent component covers the cost of acquiring the residence. For homeowners with mortgages, the mortgage/rent component involves debt payment, since the cost of a mortgage is part of the allowance. Accordingly, the forms require debtors to deduct from the mortgage/rent component their average monthly mortgage payment (including required payments for taxes and insurance), up to the full amount of the IRS mortgage/rent component, and instruct debtors that this average monthly payment is the one reported on the separate line of the forms for deductions of secured debt under § 707(b)(2)(a)(iii). The forms allow debtors to challenge the appropriateness of this method of computing the Local Standards allowance for housing and utilities and to claim any additional housing allowance to which they contend they are entitled, but the forms require specification of the basis for such a contention.

The IRS issues Local Standards for transportation in two components for its internal purposes as well as for bankruptcy: one component covers vehicle operation/public transportation expense and the other ownership/lease expense. The amount of the vehicle operation/public transportation allowance depends on the number of vehicles the debtor operates, with debtors who do not operate vehicles being given a public transportation allowance. The instruction for this line item makes it clear that every debtor is thus entitled to some transportation expense allowance. No debt payment is involved in this allowance. The ownership/lease component, on the other hand, may involve debt payment. Accordingly, the forms require debtors to reduce the allowance for ownership/lease expense by the average monthly loan payment amount (principal and interest), up to the full amount of the IRS ownership/lease expense amount. This average payment is as reported on the separate line of the forms for deductions of secured debt under § 707(b)(2)(a)(iii).

The IRS does not set out specific dollar allowances for “Other Necessary Expenses.” Rather, it specifies a number of categories for such expenses, and describes the nature of the expenses that may be deducted in each of these categories. Section 707(b)(2)(a)(ii) allows a deduction for the debtor’s actual expenses in these specified categories, subject to its requirement that payment of debt not be included. Several of the IRS categories deal with debt repayment and so are not included in the forms. Several other categories deal with expense items that are more expansively addressed by specific statutory allowances. Subpart A sets out the remaining categories of “Other Necessary Expenses” in individual entry lines. Instructions in these entry lines reflect limitations imposed by the IRS and the need to avoid inclusion of items deducted elsewhere on the forms.

Subpart A concludes with a subtotal of the deductions allowed under the IRS standards.

2. Additional statutory expense deductions

In addition to the expense deductions allowed under the IRS standards, the means test makes provision—in subclauses (I), (II), (IV), and (V) of § 707(b)(2)(A)(ii)—for six special expense deductions. Each of these additional expense items is set out on a separate entry line in Subpart B, introduced by an instruction that there should not be double counting of any expense already included in the IRS deductions. Contributions to tax-exempt charities provide another statutory expense deduction. Section 1325(b)(2)(A)(ii) expressly allows a deduction from CMI for such contributions (up to 15% of the debtor’s gross income), and § 707(b)(1) provides that in considering whether a Chapter 7 filing is an abuse, the court may not take into consideration “whether a debtor . . . continues to make [tax-exempt] charitable contributions.” Accordingly, Subpart B also includes an entry line for charitable contributions. The subpart concludes with a subtotal of the additional statutory expense deductions.

3. Deductions for payment of debt

Subpart C of the forms deals with the means test’s deductions from CMI for payment of secured and priority debt, as well as a deduction for administrative fees that would be incurred if the debtor paid debts through a Chapter 13 plan. In accord with § 707(b)(2)(A)(iii), the deduction for secured debt is divided into two entry lines—one for payments that are contractually due during the 60 months following the bankruptcy filing, the other for amounts needed to retain necessary collateral securing debts in default. In each situation, the instructions for the entry lines require dividing the total payment amount by 60, as the statute directs. Priority debt, deductible pursuant to § 707(b)(2)(A)(iv), is treated on a single entry line, also requiring division by 60. The defined deduction for the expenses of administering a Chapter 13 plan is allowed by § 707(b)(2)(A)(ii)(III) only for debtors eligible for Chapter 13. The forms treat this deduction in an entry line requiring the eligible debtor to state the amount of the prospective Chapter 13 plan payment and multiply that payment amount by the percentage fee established for the debtor’s district by the Executive Office for United States Trustees. The forms refer debtors to the website of the U.S. Trustee Program to obtain this percentage fee. The subpart concludes with a subtotal of debt payment deductions.

4. Total deductions

Finally, the forms direct that the subtotals from Subparts A, B, and C be added together to arrive at the total of allowed deductions from CMI under the means test.

5. Additional claimed deductions

The forms do not provide for means test deductions from CMI for expenses in categories that are not specifically identified as “Other Necessary Expenses” in the Internal Revenue Manual. However, debtors may wish to claim expenses that do not fall within the categories listed as “Other Necessary Expenses” in the forms. Part VII of the Chapter 7 form and Part VI of the Chapter 13 form provide for such expenses to be identified and totaled. Although expenses listed in these sections are not deducted from CMI for purposes of the means test calculation, the listing provides a basis for debtors to assert that these expenses should be deducted from CMI under § 707(b)(2)(A)(ii)(I), and that the results of the forms’ calculation should therefore be modified.

D. The chapter-specific forms

1. Chapter 7

The Chapter 7 form has several unique aspects. The form includes, in the upper right corner of the first page, a check box directing the debtor to state whether or not the calculations required by the form result in a presumption of abuse. The debtor is not bound by this statement and may argue, in response to a motion brought under § 707(b)(1), that there should be no presumption despite the calculations required by the form. The check box is intended to give clerks of court a conspicuous indication of the cases for which they are required to provide notice of a presumption of abuse pursuant to § 342(d).

Part I of the form implements the provision of § 707(b)(2)(D) that excludes certain disabled veterans from all means testing, making it unnecessary to compute the CMI of such veterans. Debtors who declare under penalty of perjury that they are disabled veterans within the statutory definition are directed to verify their declaration in Part VII, to check the “no presumption” box at the beginning of the form, and to disregard the remaining parts of the form.

Part II of the form is the computation of CMI. Section 707(b)(7) eliminates standing to assert the means test’s presumption of abuse if the debtor’s annualized CMI does not exceed a defined median state income. For this purpose, the statute directs that CMI of the debtor’s spouse be combined with the debtor’s CMI even if the debtor’s spouse is not a joint debtor, unless the debtor declares under penalty of perjury that the spouses are legally separated or living separately other than for purposes of evading the means test. Accordingly, the calculation of CMI in Part II directs a computation of the CMI of the debtor’s spouse not only in joint cases, but also in cases of married debtors who do not make the specified declaration, and the CMI of both spouses in these cases is combined for purposes of determining standing under § 707(b)(7).

Part III of the form provides for the comparison of the debtor’s CMI for purposes of § 707(b)(7) to the applicable state median income. It then directs debtors whose income does not exceed the applicable median to verify the form, to check the “no presumption”

box at the beginning of the form, and not to complete the remaining parts of the form. Debtors whose CMI does exceed the applicable state median are required to complete the remaining parts of the form.

Part IV of the form provides for an adjustment to the CMI of a married debtor, not filing jointly, whose spouse's CMI was combined with the debtor's for purposes of determining standing to assert the means test presumption. The means test itself does not charge a married debtor in a non-joint case with the income of the non-filing spouse, but rather only with contributions made by that spouse to the household expenses of the debtor or the debtor's dependents, as provided in the definition of CMI in § 101(10A). Accordingly, Part IV calls for the combined CMI of Part II to be reduced by the amount of the non-filing spouse's income that was not contributed to the household expenses of the debtor or the debtor's dependents.

Part V of the form provides for a calculation of the means test's deductions from the debtor's CMI, as described above.

Part VI provides for a determination of whether the debtor's CMI, less the allowed deductions, gives rise to a presumption of abuse under § 707(b)(2)(A). Depending on the outcome of this determination, the debtor is directed to check the appropriate box at the beginning of the form and to sign the verification in Part VIII. Part VII allows the debtor to claim additional deductions, as discussed above.

2. Chapter 11

The Chapter 11 form is the simplest of the three, since the means-test deductions of § 707(b)(2) are not employed in determining the extent of an individual Chapter 11 debtor's disposable income. Section 1129(a)(15) requires payments of disposable income "as defined in section 1325(b)(2)," and that paragraph allows calculation of disposable income under judicially-determined standards, rather than pursuant to the means test deductions, specified for higher income Chapter 13 debtors by § 1325(b)(3). However, § 1325(b)(2) does require that CMI be used as the starting point in the judicial determination of disposable income, and so the Chapter 11 form requires this calculation (in Part I of the form), as described above, together with a verification (in Part II).

3. Chapter 13

Like the Chapter 7 form, the form for Chapter 13 debtors contains a number of special provisions. The upper right corner of the first page includes check boxes requiring the debtor to state whether, under the calculations required by the statement, the applicable commitment period under § 1325(b)(4) is three years or five and whether the means test deductions are required by § 1325(b)(3) to be used in determining the debtor's disposable income. The check box is intended to inform standing trustees and other interested parties about these items, but does not prevent the debtor from arguing that the calculations required by the form are inaccurate.

Part I of the form is a report of income to be used for determining CMI. Section 1325(b)(4) imposes a five-year applicable commitment period—rather than a three-year period—if the debtor’s annualized CMI is not less than a defined median state income. For this purpose, as under § 707(b)(4), the CMI of the debtor’s spouse is required by the statute to be combined with the debtor’s CMI, and there is no exception for spouses who are legally separated or living separately. Accordingly, the report of income in Part I directs a combined reporting of the income of both spouses in all cases of married debtors.

Part II of the form computes the applicable commitment period by annualizing the income calculated in Part I and comparing it to the applicable state median. The form allows debtors to contend that the income of a non-filing spouse should not be treated as CMI and permits debtors to claim a deduction for any income of a non-filing spouse to the extent that this income was not contributed to the household expenses of the debtor or the debtor’s dependents. The debtor is directed to check the appropriate box at the beginning of the form, stating the applicable commitment period.

Part III of the form compares the debtor’s CMI to the applicable state median, allowing a determination of whether the means-test deductions must be used, pursuant to § 1325(b)(3), in calculating disposable income. For this purpose, since § 1325(b)(3) does not provide for including the income of the debtor’s spouse, the form directs a deduction of the income of a non-filing spouse that is not contributed to the household expenses of the debtor or the debtor’s dependents. Again, the debtor is directed to check the appropriate box at the beginning of the form, indicating whether the means test deductions are applicable. If so, the debtor is directed to complete the remainder of the form. If not, the debtor is directed to complete the verification in Part VII but not complete the other parts of the form.

Part IV provides for calculation of the means-test deductions provided in § 707(b)(2), described above, as incorporated by § 1325(b)(3) for debtors with CMI above the applicable state median.

Part V provides for three adjustments required by special provisions affecting disposable income in Chapter 13. First, § 1325(b)(2) itself excludes from the CMI used in determining disposable income certain “child support payments, foster care payments, [and] disability payments for a dependent child.” Because payments of this kind are included in the definition of CMI in § 101(10A), a line entry for deduction of these payments is provided. Second, a line entry is provided for deduction of contributions by the debtor to certain retirement plans, listed in § 541(b)(7)(B), since that provision states that such contributions “shall not constitute disposable income, as defined in section 1325(b).” Third, the same line entry also allows a deduction from disposable income for payments on loans from retirement accounts that are excepted from the automatic stay by § 362(b)(19), since § 1322(f) provides that for a “loan described in section 362(b)(19) . . . any amounts required to repay such loan shall not constitute ‘disposable income’ under section 1325.”

The Chapter 13 form does not provide a deduction from disposable income for the Chapter 13 debtor’s anticipated attorney fees. There is no specific statutory allowance

for such a deduction, and none appears necessary. Section 1325(b)(1)(B) requires that disposable income contributed to a Chapter 13 plan be used to pay “unsecured creditors.” A debtor’s attorney who has not taken a security interest in the debtor’s property is an unsecured creditor who may be paid from disposable income.

Part VI of the form allows the debtor to claim additional deductions, as described above, and Part VII is the verification.