

Fill in this information to identify your case:

Debtor 1	<u>Lisa</u>	<u>Sandra</u>	<u>Reyes</u>
	First Name	Middle Name	Last Name
Debtor 2	<hr/>		
(Spouse, if filing)	First Name	Middle Name	Last Name
United States Bankruptcy Court for the: <u>Western District of Kentucky</u>			
Case number	<hr/>		
(If known)			

MM / DD / YYYY

12/15

Part 1: Describe Your Household

☒ No ☐ Yes **80**

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4d.	\$	0.00
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		Your expenses		
5.	Additional mortgage payments for your residence , such as home equity loans	5.	\$ 0.00	
6.	Utilities:			
6a.	Electricity, heat, natural gas	6a.	\$ 65.00	
6b.	Water, sewer, garbage collection	6b.	\$ 0.00	
6c.	Telephone, cell phone, Internet, satellite, and cable services	6c.	\$ 120.00	
6d.	Other. Specify: _____	6d.	\$ 0.00	
7.	Food and housekeeping supplies	7.	\$ 375.00	(82)
8.	Childcare and children's education costs	8.	\$ 575.00	(83)
9.	Clothing, laundry, and dry cleaning	9.	\$ 65.00	(84)
10.	Personal care products and services	10.	\$ 20.00	
11.	Medical and dental expenses	11.	\$ 45.00	(85)
12.	Transportation. Include gas, maintenance, bus or train fare. Do not include car payments.	12.	\$ 100.00	
13.	Entertainment, clubs, recreation, newspapers, magazines, and books	13.	\$ 25.00	
14.	Charitable contributions and religious donations	14.	\$ 15.00	
15.	Insurance. Do not include insurance deducted from your pay or included in lines 4 or 20.			
15a.	Life insurance	15a.	\$ 0.00	
15b.	Health insurance	15b.	\$ 81.00	
15c.	Vehicle insurance	15c.	\$ 78.00	(86)
15d.	Other insurance. Specify: _____	15d.	\$ 0.00	
16.	Taxes. Do not include taxes deducted from your pay or included in lines 4 or 20. Specify: _____	16.	\$ 0.00	
17.	Installment or lease payments:			
17a.	Car payments for Vehicle 1	17a.	\$ 125.00	(87)
17b.	Car payments for Vehicle 2	17b.	\$ 0.00	
17c.	Other. Specify: _____	17c.	\$ 0.00	
17d.	Other. Specify: _____	17d.	\$ 0.00	
18.	Your payments of alimony, maintenance, and support that you did not report as deducted from your pay on line 5, Schedule I, Your Income (Official Form 106I).	18.	\$ 0.00	
19.	Other payments you make to support others who do not live with you. Specify: _____	19.	\$ 0.00	
20.	Other real property expenses not included in lines 4 or 5 of this form or on Schedule I: Your Income.			
20a.	Mortgages on other property	20a.	\$ 0.00	
20b.	Real estate taxes	20b.	\$ 0.00	
20c.	Property, homeowner's, or renter's insurance	20c.	\$ 0.00	
20d.	Maintenance, repair, and upkeep expenses	20d.	\$ 0.00	
20e.	Homeowner's association or condominium dues	20e.	\$ 0.00	

21. Other. Specify: Storage fee

21. +\$ 30.00 **88**

22. Calculate your monthly expenses.

22a. Add lines 4 through 21.

22b. Copy line 22 (monthly expenses for Debtor 2), if any, from Official Form 106J-2

22c. Add line 22a and 22b. The result is your monthly expenses.

22a. \$ 2,190.00

22b. \$ _____

22c. \$ _____

23. Calculate your monthly net income.

23a. Copy line 12 (your combined monthly income) from Schedule I.

23b. Copy your monthly expenses from line 22c above.

23c. Subtract your monthly expenses from your monthly income.
The result is your *monthly net income*.

23a. \$ 2,007.32

23b. - \$ 2,190.00

23c. \$ -182.68 **89**

24. Do you expect an increase or decrease in your expenses within the year after you file this form?

For example, do you expect to finish paying for your car loan within the year or do you expect your mortgage payment to increase or decrease because of a modification to the terms of your mortgage?

☐ No.

☒ Yes.

Explain here: Debtor may have slight reduction in rental expense if accepted for public housing (and elimination of storage expense).

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Official Form 106J

Schedule J: Your Expenses

page 3

Annotations to Completed Sample Form 106

Schedule J

Schedule J is the debtor's statement of expenses. For a general discussion of Schedule J, see § 7.3.7.6, *supra*. The completed schedule contains notes referring to the following annotations:

77. Schedule J has a box in the upper right corner that is labeled: "Check if this is an amended filing." This box should be checked if an amended Schedule J is filed to correct information reflecting the debtor's expenses as of the petition date. Schedule J has an additional box labeled: "A supplement showing post-petition chapter 13 expenses as of the following date: ____." This box should be checked if the new Schedule J is intended to report postpetition changes in the debtor's expenses in a chapter 13 case, noting the date when the change took effect. The attorney should be sure to check the appropriate box and also make the applicable event designation when uploading the document in the ECF system. [BACK](#)
78. The expenses listed on Schedule J should include those of both debtors in a joint case or of the debtor and a non-filing spouse in an individual case (unless the spouses are separated). If a joint case is filed but the debtors keep separate households, Debtor 2 is instructed to complete and file Schedule J-2: Expenses for Separate Household of Debtor 2 (Official Form 106J-2). Regular expenses from the operation of a business should be included in a statement attached to Schedule I, not reported here on Schedule J. [BACK](#)
79. Part 1 of Schedule J requests information about the debtor's dependents. The names of minor children should not be included, as such disclosures in the public records of a bankruptcy case are prohibited under 11 U.S.C. § 112. List only the relationship of the dependent to the debtor and the dependent's age. The form also asks the debtor to indicate if the dependent lives with the debtor. [BACK](#)
80. When household expenses are regularly paid by persons other than the debtor or a non-filing spouse, those expenses should be listed on Schedule J if the contributions for those expenses are also reported in line 11 of Schedule I. For example, if the debtor and a roommate share rent and utilities, and the debtor does not list the roommate's contribution to these expenses in line 11 of Schedule I, then only the debtor's share of these expenses should be listed on Schedule J. [BACK](#)
81. Ms. Reyes has listed only her portion of the total rental expense, which she shares with her sister. If Ms. Reyes owned a home with a mortgage, she would list on line 4 of Part 2 the amount that will be paid to cover the postpetition mortgage payments. Local practice should be checked as to whether postpetition mortgage payments that are to be disbursed by the trustee in a chapter 13 case should be listed on line 4. Amounts to be

paid under a chapter 13 plan to cure a mortgage arrearage should not be listed on line 4. Additional payments for junior mortgages on the property, such as home equity loans, are listed separately on line 5. If real estate taxes or property insurance are not included with the debtor's mortgage payment, list such tax or insurance payments on lines 4a and 4b. If the debtor lives in a cooperative or condominium, any homeowner's association fee not included with the debtor's mortgage payment should be listed on line 4d. Any lot rent or ground lease fees that the debtor pays for a manufactured home should be listed on either line 4d or line 17c. Mortgage payments and expenses for a vacation home or other real property owned by the debtor, except business or rental property expenses that are reported on a statement submitted with Schedule I, should be listed on line 20. [BACK](#)

82. The food expense item on line 7 of Schedule J is often difficult for the debtor to estimate. It should reflect all food costs including, for example, the costs of school lunches and eating meals out. It should also include housekeeping supplies, such as cleaning products and laundry detergent. As non-food items such as diapers and personal care products are often purchased at the same time as food, the debtor should attempt as best as possible to estimate these expenses separately from the food expense on line 7, and list them on line 10. Personal care services, such as haircuts, are also listed on line 10. As with other expenses that are not typically paid on a monthly basis, the debtor should prorate any payments made biweekly, quarterly, semiannually, or annually to show a monthly amount. In the sample case Ms. Reyes has listed her total food expense on line 7 and indicated on Schedule I that she receives SNAP benefit. [BACK](#)
83. As she has done with her food expense, Ms. Reyes has listed her total childcare expense on line 8 and indicated on Schedule I that she receives state childcare assistance. [BACK](#)
84. Some debtors have only a vague idea of what they spend for various items, such as clothing, and they often under-estimate their actual expenses. They may spend less than necessary for things like auto repairs, home maintenance and clothing because of limited income or debt payments (some that they will no longer have to make after filing). The debtor's expenses usually can be estimated, within the limits of realistic budgeting, in a way that presents the case in a favorable light. Of course a good faith effort to be accurate is always required. However excess income is rarely a problem for low-income debtors, the overwhelming majority of whom have barely enough income to meet the most basic family expenses. [BACK](#)
85. The estimates to be included are ongoing average monthly expenses as of the petition date (or the date when an amended Schedule J is filed), and not necessarily what the debtor has paid prepetition or is accustomed to paying. Expenses such as needed dental care or necessary home repairs that a debtor has been unable to pay for in the recent past because of debts that will be discharged or inadequate income may be listed as part of the debtor's projected budget. Although they may not have been paid in the past, they

are nevertheless ongoing expenses as of the petition date (or the date when an amended Schedule J is filed). [BACK](#)

86. If the debtor owns an auto, the absence of auto insurance expenditures may give rise to an allegation by the creditor that a secured claim on a car loan is not “adequately protected.” In a chapter 13 case a debtor who is retaining personal property subject to a lease or purchase money security interest is required to provide the lessor or creditor reasonable evidence of insurance coverage. The debtor should be advised of these concerns and should be encouraged to maintain insurance coverage. [BACK](#)
87. In a chapter 7 case the debtor should list on line 17 any installment payments on debts the debtor intends to pay even after receiving a bankruptcy discharge. Most commonly these will be auto loans or other secured debts that the debtor intends to reaffirm or otherwise continue to make payments on. In a chapter 13 case such installment payments should not be listed here if the claim is being treated under section 1325(a)(5) and being paid under the plan. Nondischargeable obligations, such as a student loan that will not be subject to a hardship discharge proceeding, can be listed with a notation in the “other” category in line 17c or 17d. [BACK](#)
88. A catchall category under “other” in line 21 can be used to list various items not specifically listed in the previous categories, such as the purchase of cigarettes, children’s birthday gifts and, in the case of Ms. Reyes, her storage rental expense. Debtors should be carefully questioned about forgotten expenses so that they may be reported on Schedule J. [BACK](#)
89. The statement of monthly net income in line 23c, reflecting the income and expenses listed on Schedules I and J, satisfies the document filing requirement for “monthly net income” of section 521(a)(1)(B)(v). [BACK](#)
90. Any non-speculative expected changes in expenses should be listed in line 24. As this statement satisfies the document filing requirement of section 521(a)(1)(B)(vi), the debtor should check the box “no” if no changes in expenses are anticipated. Ms. Reyes has noted that if she is approved for subsidized housing and obtains her own apartment, there may be a slight reduction in her monthly rent and the elimination of the storage rental expense. Given her low income and her negative expected net income, this potential increase in disposable income will not affect her ability to obtain a discharge. [BACK](#)