Post-Confirmation Plan Modification Requirements

The Office of the Chapter 13 Trustee requests that, in connection with all post-confirmation modified plans, the Debtor provide the Trustee with sufficient documentation to evaluate the feasibility and good-faith requirements applicable to plan modifications under 11 U.S.C. § 1329.

Accordingly, the Debtor must provide the following documents upon the filing of a modified plan:

1. The two most recent pay stubs or other documentation evidencing the Debtor's current income. These documents should be uploaded to BKDocs at the time the modified plan is filed.
2. Amended Schedule I and Amended Schedule J, reflecting the Debtor's current income, expenses, and financial circumstances. The amended schedules must be filed with the Court in connection with the modified plan.

The purpose of these requirements is to enable the Trustee to evaluate whether the proposed modification is feasible and filed in good faith, as required by 11 U.S.C. § 1329 and applicable bankruptcy law.

Modifications of Previously Due Plan Payments

The Trustee's Office has observed an increasing number of post-confirmation modified plans that seek to modify or otherwise address plan payments after those payments have already become due, frequently in response to a pending motion to dismiss for delinquency.

Although the Trustee has not routinely objected to such modifications in the past, the Trustee's position is that the Bankruptcy Code does not expressly authorize the retrospective modification of plan payments that have already become due. Accordingly, the Trustee may, in the future, object to modified plans that seek to retroactively alter previously due payments.

Counsel is therefore encouraged to advise their clients of the importance of addressing anticipated payment difficulties before a plan payment becomes due or a delinquency develops.

The Trustee will generally not object to a modified plan that suspends a plan payment for a reasonable period of time, provided that the modified plan clearly states the reason for the requested suspension and otherwise satisfies the requirements of the Bankruptcy Code.

These requirements are intended to facilitate the Trustee's review of modified plans and to ensure that proposed modifications accurately reflect the Debtor's current financial circumstances.