

INSTRUCTIONS FOR COMPLETING SCHEDULE B -- PERSONAL PROPERTY

1) Schedule B is used for reporting all the debtor's interests in personal property except executory contracts and unexpired leases. Anything the debtor owns that is not real property is considered personal property. Thus, all property in the debtor's estate that is not real property should be listed on the form.

2) A general description of the column labeled "Type of Property" is set forth below:

1. Cash on hand is limited to the amount the debtor has in his or her possession at the date the petition is filed.
2. The category "Checking, savings or other . . ." includes **all** financial accounts owned by the debtor.
3. The category "Security deposits with public utilities. . ." includes all credit accounts made with a landlord, utility (electric, gas, water, etc.), or telephone company, to secure ongoing occupancy or usage.
- 4-8. These categories require a brief description of the types of items held, rather than an itemized description of each piece of property. Courts differ in the amount and degree of detail they require concerning these items. At a minimum, a debtor should list each major appliance separately and describe furniture, bedding, clothing, and similar possessions. Anything of unusual value should be mentioned separately. The market value of each item should be totaled, and one lump sum reported for each category, unless one item is of particular value or unique in some other way.
- 9,10,12,13. Since these categories often include the rights and interests of third parties, the debtor is asked to use particular detail in describing the various interests, itemizing each particular piece of property. An "annuity" is a yearly payment of money, either for life or for a number of years.
11. ERISA-qualified pension plans are excluded from the bankruptcy estate. Patterson v. Shumate, 112 S.Ct. 2242 (1992). Accordingly, a debtor's interest in such a plan should be reported with a statement that it is not part of the estate. To avoid misleading creditors or the trustee, no dollar value should be reported. However, it is the debtor's responsibility to ascertain whether the debtor's personal pension plan is ERISA-qualified.
14. Examples of negotiable instruments include promissory notes, cashiers' checks, personal checks, and money orders. Non-negotiable instruments are those which can not be transferred simply by endorsement and/or delivery.

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continued

- 15-17. These are debts owed to the debtor. Items 15 and 16 ask the debtor to be specific. Item 17 request the debtor to list all monies owed to the debtor that are not included in Items 15 and 16 and, specifically, any expected tax refunds.
- 18-20. These categories include interests in personal property that may or will come into the possession of the debtor in the future.
- 21-22. Intellectual property may include such items as trademarks and trade secrets. Proceeds from royalties and licensing agreements should also be included on this form. The debtor is asked to be specific.
- 23-25. The debtor should list these items specifically, giving the maker, model, and year of car(s), other vehicles and accessories, and stating product names when possible.
- 26-28. If the debtor is a business, some of these categories, such as office equipment or fixtures, may be too numerous to describe fully. If this is the case, a more general description will suffice and can be supplemented with an attached inventory.
- 29-32. These categories include animals, crops, farming equipment, farming implements, and farm supplies. Items of particular value or unique in some other way should be listed separately.
33. Any other personal property not listed above should be listed in this category.
- 3) The debtor must declare on the schedule whether the debtor has any property in each category listed in the column labeled "Type of Property." If the debtor has no property in one or more of the categories, the debtor should place an "X" in the column marked "None." If the appropriate category is not listed, item 33 allows the debtor to list any miscellaneous items.
- 4) "Itemize" means to state each item or article separately. The debtor is only required to itemize when the schedule specifies to do so, or if a particular item is unique in some way.
- 5) If property of the debtor is being held by someone other than the debtor, that person's name and address should be included in the column entitled "Description and Location . . ."

6) The "current market value" describes the market value on the date the petition was filed. Value is not the same as the purchase price; rather it usually is a fraction of that. "Market value," is a term that is subject to interpretation and may vary with the nature of the market for particular items. The market for used clothing and household furnishings is very different from the market for blue chip stocks. For cars, the National Automobile Dealers Association (NADA) publishes current market values. The NADA book is available at public libraries and on the Internet. The values stated should be appropriate for the property described.

7) Debtors should make sure that the market values of the items of property listed in this schedule are consistent with those stated in Schedules C and D. While certain categories, such as cash, are easy to value, the correct market value of other categories may be more difficult to pinpoint. When the debtor cannot find the market value, the debtor should state the approximate amount, based on the market for the property, and include with the schedule a statement of the method of valuation used.

8) The debtor is not asked to list exemptions or secured claims in this form. Exemptions should be listed in Schedule C and secured claims in Schedule D.

9) Executory contracts and unexpired leases should be included in Schedule G, rather than on this form. However, if the debtor is not sure which category is correct for a particular item, the debtor should list the property in both forms.

10) Debtors should complete and attach continuation sheets if more space is needed.

11) Debtors are directed to place the total dollar amount of the current market value in the space provided, including the amounts from any continuation sheets.

12) Debtors should report the total dollar amount on the Summary of Schedules.