

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF VERMONT**

---

**In re:  
MODIFICATION OF THE LOCAL RULES  
OF PRACTICE AND PROCEDURE  
IN THE U.S. BANKRUPTCY COURT  
FOR THE DISTRICT OF VERMONT**

**REVISING LOCAL RULE 2015-2**

**STANDING ORDER # 20-08**

**TO SPECIFY THE TYPE OF OPERATING REPORT  
BUSINESS CHAPTER 13 DEBTORS MUST FILE,  
AND ESTABLISH THE PROCEDURE FOR WAIVER OR  
MODIFICATION OF OPERATING REPORT REQUIREMENT**

---

After consultation with the 2019 Local Rules Task Force and the Vermont bankruptcy bar, the Court has determined it would be most efficient, and expedite determinations of feasibility and plan confirmation in business chapter 13 cases, to require all chapter 13 debtors with business or rental income to file monthly operating reports, using a standard local form, unless the debtor (or other party in interest) shows good cause to either (a) waive the operating report requirement or (b) modify the content or frequency of the report required. Therefore, the Court is modifying the Local Rule to specify this requirement, revising the Local Form for the chapter 13 operating report, and creating a Local Form motion for a waiver or modification of the operating report requirement.

Accordingly, IT IS HEREBY ORDERED that Vt. LBR 2015-2 is revised to read as follows, with the changes noted in red:

**VT. LBR 2015-2. DEBTOR-IN-POSSESSION –  
BUSINESS DEBTORS’ OPERATING ORDERS IN CHAPTER 13.**

Every debtor-individual who files a business chapter 13 case, and (a) designates their bankruptcy case to be a business chapter 13 case, on their petition, or (b) discloses income from rental property or from operating a business, profession, or farm, on

~~their schedules (cumulatively referred to herein as a “Chapter 13 Business Debtor”) or is operating a business, shall be required to file monthly operating reports, commencing in the month following the filing of the petition, unless the Chapter 13 Business Debtor demonstrates good cause to waive or modify this requirement within 721 days of the filing of the petition.~~

~~An Operating Order will be entered in every Chapter 13 Business Debtor’s case, describing the debtor’s duties generally, including the duty to file monthly operating reports, on Local Form S-1. A Chapter 13 Business Debtor may file a motion seeking a waiver of this requirement, or a modification of the content or frequency of the reports to be filed, using Local Form S-2.~~


~~Failure of a Chapter 13 Business Debtor to file complete and timely operating reports may constitute cause for dismissal of the case, under 11 U.S.C. § 1307.~~

~~The trustee or other party in interest who seeks an order directing the chapter 13 debtor to file operating reports shall file a proposed order setting forth (1) how frequently the reports should be filed (monthly, quarterly, or at some other interval), (2) what information should be included in each operating report, and (3) what documents should be attached to the operating reports or served on the parties entitled to receipt of the operating reports.~~

IT IS FURTHER ORDERED that Chapter 13 debtors shall use the new Local Forms for their operating reports and any motion to waive or modify the operating report requirement, both of which are attached and posted on the Court’s website.

IT IS FURTHER ORDERED this revision to the Local Rule and the attached new Local Forms are effective upon entry of this Order.

February 25, 2020  
Burlington, Vermont

  
\_\_\_\_\_  
Colleen A. Brown  
United States Bankruptcy Judge

Attached: New Vt. LB Form S-1 and S-2.

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF VERMONT

\_\_\_\_\_  
**In re:**  
\_\_\_\_\_,  
**Debtor.**  
\_\_\_\_\_

Case # xx-xxxxx  
Chapter 13

**DEBTOR'S MONTHLY OPERATING REPORT**  
**For [Reporting Period]**

Name of Debtor's Business: \_\_\_\_\_

Nature of Debtor's Business: \_\_\_\_\_

\_\_\_ The Debtor attaches reports from Quicken or Quickbooks. *(May skip Parts I and II)*

**I. GROSS INCOME:**

Source	Amount
_____	_____
_____	_____
_____	_____
<b>Total Gross Income:</b>	_____

**II. EXPENSES:**

Item	Description	Amount
Advertising	_____	_____
Car/ Truck	_____	_____
Commission/ Fees	_____	_____
Contract Labor	_____	_____
Insurance	_____	_____
➤ Specify types		

Interest, Mortgage	_____	_____
Interest, Other	_____	_____
Legal / Professional	_____	_____
Office Expenses	_____	_____
Rent, Vehicle	_____	_____
Rent, Equipment	_____	_____
Rent, Other	_____	_____
Repairs/Maintenance	_____	_____
Supplies	_____	_____
Taxes and Licenses	_____	_____
Travel, Meals	_____	_____
Travel, Other	_____	_____
Utilities		
➤ Electric	_____	_____
➤ Heat	_____	_____
➤ Internet	_____	_____
➤ Telephone	_____	_____
➤ Trash	_____	_____
➤ Water/ Sewer	_____	_____
➤ Other	_____	_____
Other Expenses	_____	_____
<b>Total Expenses:</b>		_____

**III. PROFIT/LOSS:**

Gross Income	_____
Less Total Expenses	_____
<b>Net Profit/Loss</b>	_____

**IV. FEDERAL AND STATE TAX COMPLIANCE:**  
*(attach copy of form/voucher and check/electronic receipt)*

**Federal Estimated Tax Payments:**

Type/Form	Amount	Date of Payment	Method of Payment
_____	_____	_____	_____

**Federal Employment Tax Deposits:**

Type/Form	Amount	Date of Payment	Method of Payment
_____	_____	_____	_____

**State Tax Payments:**

Type/Form	Amount	Date of Payment	Method of Payment
_____	_____	_____	_____

**V. ASSETS/INVENTORY/GOODS: specify all changes from last report**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**VI. LIABILITIES / UNPAID BILLS: specify any bills incurred and not paid during this period as well as the status of all unpaid bills described in the last report.**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**VII. QUESTIONNAIRE: (attach any required explanations as Exhibit A)**

For this reporting period,	Yes	No
1. Any change in the number of employees you have since last period? - If yes, state current number and explain the change	_____	_____
2. Have you paid all your employees on time? - If no, explain how many were not, and why	_____	_____

- |                                                                                                                                                                                                          |     |     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|
| 3. Have you withheld and paid employment and other taxes on time?<br>- If no, explain                                                                                                                    | ___ | ___ |
| 4. Have you paid all of your bills on time?<br>- If no, explain                                                                                                                                          | ___ | ___ |
| 5. Have you timely paid all of your insurance premiums?<br>- If no, explain                                                                                                                              | ___ | ___ |
| 6. Did any insurance company cancel your policy?<br>- If yes, explain                                                                                                                                    | ___ | ___ |
| 7. Have you sold or transferred any assets other than inventory?<br>- If yes, state what was it, to whom, for how much and why?                                                                          | ___ | ___ |
| 8. Did you have any unusual or significant unanticipated expenses?<br>- If yes, state what they are and why they were unanticipated                                                                      | ___ | ___ |
| 9. Have you borrowed money from anyone, or has anyone made any payments on your behalf, or has anyone made an investment in your business?<br>- If yes, state name of lender / investor, date and amount | ___ | ___ |
| 10. Have you paid any bills you owed before you filed bankruptcy?<br>- If yes, state name of creditor paid, amount and date paid, and the reason for payment of that debt post-petition                  | ___ | ___ |

**VIII. Certification and Signature (required)**

I, \_\_\_\_\_, Debtor/Authorized Individual, declare under penalty of perjury pursuant to 28 U.S.C. § 1746, that the foregoing report and attached documents are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
 Debtor's Signature  
 Owner [or \_\_\_] in Business

Date: \_\_\_\_\_

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF VERMONT

\_\_\_\_\_  
**In re:**  
\_\_\_\_\_,  
**Debtor(s).**  
\_\_\_\_\_

**Case # xx-xxxxx**  
**Chapter 13**

**Motion to Waive or Modify Chapter 13 Business Debtor’s Obligation to File Operating Reports**

Pursuant to Vt. LBR 2015-2, chapter 13 debtors who have income from the operation of a business, or the rental of property, must file monthly operating reports, using the Vt. LB Form S-1, unless the Court grants the debtor a waiver or modifies the content or frequency of the reports the debtor must file.

The Debtor in this case seeks (check one):

a waiver of the requirement to file operating reports.

modification of the content / form of the operating report the Debtor must file, as follows:

\_\_\_\_\_.

modification of the duty to file reports monthly, requesting reports be due  quarterly /  annually.

In support of this request, the Debtor states:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

The chapter 13 trustee and the Debtor’s primary creditors [*named here*] will be filing consent to this Motion, and if they do not do so within seven (7) days of the filing of this Motion, the Debtor will file a notice of motion setting a hearing on this Motion, on 14 days’ notice to the trustee and all secured and priority unsecured creditors listed in the debtor’s bankruptcy schedules, and any attorneys who have filed a notice of appearance.

The Debtor understands if the Court grants this request, the relief may be revoked, and the requirement reinstated, on a showing of good cause (e.g., a change in the debtor’s circumstances, a determination the affirmations in this Motion are incomplete or misleading, or the need for closer monitoring of the debtor’s financial circumstances).

Dated: \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
Attorney for Debtor(s)  
[Name, address, tel #, email]