

**“QUICK GUIDE” TO TAX COLLECTORS  
WITH REGARD TO BANKRUPTCIES**

- Make sure you receive copies of all filings mailed to your community. If it comes to you directly, send copies to other departments who may need to know (e.g. Welfare Officer).
- Make notes as to bankrupt taxpayer on your software (if possible); maintain a separate list if necessary.
- In Chapter 7 and 13 cases, be sure to add the Trustee to receive copies of the Notice of Delinquencies and Intent to Lien Notices.
- File a “Proof of Claim” in all Chapter 7 cases where assets are noted, Chapter 11 cases when a claims date is set and in all Chapter 13 cases.
- Make sure “Doolan” notices are included in your Delinquencies or Intent to Lien (you may include them in all such notices as a precaution).
- NEVER send out Intent to Deed Notices or deed property unless:
  - (i) The case is closed (not Debtor Discharge).
  - (ii) The property has been formerly “abandoned” by confirmed case filing.
  - (iii) The Community has received approval of a “Motion to Life Stay”.
- When deeding, always review the list of mortgage holders. If any are known to be in bankruptcy, STOP. You cannot deed without additional approvals.
- Read (or send out for review) Chapter 11 or Chapter 13 plans to verify proper treatment of taxes due (including payment of statutory interest).
- Be sure to properly apply payments received from Chapter 11 or Chapter 13 Debtors or Trustees. Always apply “as directed” or “pursuant to plan”. (Even if Debtor asks you to apply in a different fashion).
- If a “plan” calls for the Debtors to pay “current” or “going forward” payments, notify the Trustee if payments are not received. He/she may file a Motion to Dismiss/Convert.
- Always seek guidance from Municipal Counsel when in doubt!