IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF ALABAMA

IN RE:)	
)	
Order Regarding Application of Plan)	Administrative Order No. 2022-07
Payments In Chapter 13 Cases)	
)	

ORDER REGARDING APPLICATION OF PLAN PAYMENTS IN CHAPTER 13 CASES

Prior to confirmation, the chapter 13 trustee is directed to pay any filing fees being paid through the plan and adequate protection payments on secured claims, in that priority. Postconfirmation, the chapter 13 trustee is directed to pay in this order of priority:

- 1. Debtor's attorney's fees being paid through the plan -- one-third payable upon confirmation and the remainder by a fixed monthly payment over the shorter of thirty months or the remaining plan term.
- 2. Prepetition domestic support obligations ("DSO") by a fixed monthly payment over the term of the plan.
- 3. Non-DSO priority claims (including administrative expenses) by a fixed monthly payment over the term of the plan.
 - 4. Section 1325 payments on secured claims as provided by the plan.
 - 5. Pro-rata secured claims (e.g., mortgage arrearages) paid over the term of the plan.
 - 6. Unsecured claims.

If the proceeds from a previously unliquidated claim which was not included in the § 1325(a)(4) "best interest of creditors test" at confirmation (for example, a tort claim, life insurance proceeds, inheritance, or surplus automobile insurance proceeds) are delivered to the trustee for application to the case, the trustee is directed to apply those funds in the priority listed above with the fixed payments released, that is, to pay one category in full before applying funds to the next category.

This order is effective October 1, 2022.

Dated: 8/15/22

Jerry C. Oldshue

Chief U.S. Bankruptcy Judge

Henry A. Callaway

U.S. Bankruptcy Judge