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EASTERN DISTRICT OF MISSOURI
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Subchapter V and Chapter 13 Debt Thresholds Sunset on June 21, 2024

The Bankruptcy Threshold Adjustment and Technical Corrections Act (BTATC Act), signed into law by the President on June 21, 2022, temporarily increased the debt threshold in Subchapter V and Chapter 13 cases. Certain provisions of the BTATC Act sunset two years from the date of enactment. No legislative action was taken to extend these provisions, and they expired at midnight on June 21, 2024. The impact of this expiration is as follows:

- 11 U.S.C. § 1182(1) will no longer include the increased aggregate debt limit of \$7.5 million in Subchapter V's definition of a "debtor" but will revert and refer to the definition of a "small business debtor" in section 101(51D) of the Bankruptcy Code.
- 11 U.S.C. § 109(e) will revert to include the distinction between secured and unsecured debt amounts to determine eligibility for Chapter 13 cases. Those amounts are reinstated to less than \$465,275 for unsecured noncontingent, liquidated debt and less than \$1,395,875 for secured noncontingent, liquidated debt.
- 11 U.S.C. § 1182(1) was amended to clarify that the exclusion in the definitions of "small business debtor" and "debtor" applies to an affiliate of a corporation subject to the reporting requirements under sections 13 or 15(d) of the Securities Exchange Act of 1934, rather than an affiliate of "an issuer." After June 21, 2024, section 1182(1) will read "(1) debtor.—The term 'debtor' means a small business debtor."
- Official Form 101, question 13, and Official Form 201, question 8, will be revised to revert the options and language in those questions to how they stood after the Small Business Reorganization Act (SBRA) was enacted effective February 2020. Updated forms will be available at: www.uscourts.gov.
- Interim Bankruptcy Rule 1020, which the Court adopted as a local rule to implement the BTATC Act, is inapplicable after midnight on June 21, 2024.

Questions concerning the BTATC Act and the impact of the expired provisions above should be directed to the Attorney Advisor to the Clerk of Court at: attorney_advisor@moeb.uscourts.gov.

Dana C. McWay, Clerk of Court