

Debtor is a shareholder of a Subchapter S Corp. or has an interest in an LLC or Partnership.

Petition Line 4: Disclose any business names and EIN used by the debtor in the last eight years.

Schedule A/B – Interests in non-publicly traded stock and interests in incorporated businesses including an interest in an LLC, partnership or joint venture must be disclosed on line 19.

Schedule B – Disclose ownership of any business related assets in lines 37 through 44.

Schedule D – Any debts of the business secured by assets of the debtor are disclosed here.

Schedule E/F Part 1 PRIORITY – Any unpaid income taxes, withholding taxes or sales taxes are personal liabilities of the debtor and must be disclosed and paid through the plan as priority debts.

Schedules E/F Part 2 and H – Most lenders and wholesale suppliers require personal guarantees to extend credit to small businesses. Any debts of the business secured by assets of the business have almost certainly been personally guaranteed by the debtor; if the debtor does not own the collateral the debt is unsecured as to the debtor.

Schedule G – Disclose any property or equipment leases the debtor has signed or guaranteed.

The debtor's method of compensating himself determines how his income is disclosed.

If the debtor writes checks to himself from his business account from time to time:

Schedule I – Disclose his average monthly gross income on Line 2.

Schedule J - Report estimated average monthly tax **liability** on Line 16.

Provide copies of all such checks and banks statements.

If the debtor pays himself a salary and withholds taxes:

Schedule I – The debtor's income will be reported largely as if he were an employee.

Net profit over and above salary would be disclosed on Schedule I Line 8a or 8h and 122C-1 Line 3.

In all cases:

SOFA – Complete Questions 4, 27 and 28.

Form 122C-1 – Report gross income on Line 2, profits over and above periodic payments on Line 3.

Before the 341 Meeting: Provide proof of income consistent with the above. Provide detailed profit and loss statement and balance sheet. Be sure to disclose all assets owned by or titled to the business. Provide at least two years Corporate tax returns (Form 1120S). If the S Corp has any employees the debtor must provide detailed payroll records and payroll tax returns. Debtors engages in a retail business must submit sales tax returns.

Debtor is a shareholder of a corporation, there are other shareholders.

In addition to the foregoing, provide copies of any shareholder agreements, particularly if insolvency of one of the shareholders triggers any provisions of the shareholder agreement.