

Fill in this information to identify your case:

Debtor 1 _____
First Name Middle Name Last Name

Debtor 2 _____
(Spouse, if filing) First Name Middle Name Last Name

United States Bankruptcy Court for the: _____ District of _____
(State)

Case number _____
(If known)

Check if this is an amended filing

Official Form 22C-2

Chapter 13 Calculation of Your Disposable Income

12/13

To fill out this form, you will need your completed copy of Form 22C-1: *Chapter 13 Statement of Your Current Monthly Income and Calculation of Commitment Period*.

Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for being accurate. If more space is needed, attach a separate sheet to this form. Include the line number to which the additional information applies. On the top of any additional pages, write your name and case number (if known).

Part 1: Calculate Your Deductions from Your Income

The Internal Revenue Service (IRS) issues National and Local Standards for certain expense amounts. Use these amounts to answer the questions in lines 1-11. To find the IRS standards, either go to <http://www.justice.gov/ust/eo/bapcpa/meanstesting.htm> or ask for help at the clerk's office of the bankruptcy court.

Deduct the expense amounts set out in lines 1-11 regardless of your actual expense. In later parts of the form, you will use some of your actual expenses if they are higher than the standards. Do not include any operating expenses that you subtracted from income in lines 5 and 6 of Official Form 22C-1, and do not deduct any amounts that you subtracted from your spouse's income in line 13 of Form 22C-1.

If your expenses differ from month to month, enter the average expense.

Whenever this part of the form refers to *you*, it means both you and your spouse if Column B is filled in.

1. The number of people used in determining your deductions from income

Fill in the number of people who could be claimed as exemptions on your federal income tax return, plus the number of any additional dependents whom you support. This number may be different from the number of people in your household.

National Standards You must use the IRS National Standards to answer the questions in lines 2-3.

2. Food, clothing, and other items: Using the number of people you entered in line 1 and the IRS National Standards, fill in the dollar amount for food, clothing, and other items.

\$ _____

3. Out-of-pocket health care allowance: Using the number of people you entered in line 1 and the IRS National Standards, fill in the dollar amount for out-of-pocket health care. The number of people is split into two categories—people who are under 65 and people who are 65 or older—because older people have a higher IRS allowance for health care costs. If your actual expenses are higher than this IRS amount, you may deduct the additional amount on line 18.

People who are under 65 years of age

3a. Out-of-pocket health care allowance per person \$
3b. Number of people who are under 65 X
3c. Subtotal. Multiply line 3a by line 3b. \$

Copy line 3c here \$

People who are 65 years of age or older

3d. Out-of-pocket health care allowance per person \$
3e. Number of people who are 65 or older X
3f. Subtotal. Multiply line 3d by 3e. \$

Copy line 3f here + \$

3g. Total. Add lines 3c and 3f.

\$ Copy total here 3g. \$

Local Standards You must use the IRS Local Standards to answer the questions in lines 5-11.

Based on information from the IRS, the U.S. Trustee Program has divided the IRS Local Standard for housing for bankruptcy purposes into two parts:

- Housing and utilities – Insurance and operating expenses
Housing and utilities – Mortgage or rent expenses

Refer to the U.S. Trustee website to answer the questions in lines 4-5. Go to http://www.justice.gov/ust/eo/bapcpa/meanstesting.htm or ask for help at the clerk's office of the bankruptcy court.

4. Housing and utilities – Insurance and operating expenses: Using the number of people you entered in line 1, fill in the dollar amount listed for your county for insurance and operating expenses.

\$

5. Housing and utilities – Mortgage or rent expenses:

5a. Using the number of people you entered in line 1, fill in the dollar amount listed for your county for mortgage or rent expenses.

\$

5b. Total average monthly payment for all mortgages and other debts secured by your home.

To calculate the total average monthly payment, add all amounts that are contractually due to each secured creditor in the 60 months after you file for bankruptcy. Next divide by 60.

Table with 2 columns: Name of the creditor, Average monthly payment. Includes a plus sign and dollar signs.

5b. Total average monthly payment \$

Copy line 5b here - \$

Repeat this amount on line 29a.

5c. Net mortgage or rent expense.

Subtract line 5b (total average monthly payment) from line 5a (mortgage or rent expense). If this number is less than \$0, enter \$0.

\$

Copy 5c here

\$

6. If you claim that the U.S. Trustee Program's division of the IRS Local Standard for housing does not accurately compute the amount that applies to you, fill in any additional amount you claim.

\$

Explain why:

7. Local transportation expenses: Check the number of vehicles for which you claim an ownership or operating expense.

- 0. Go to line 10.
1. Go to line 8.
2 or more. Go to line 8.

8. Vehicle operation expense: Using the IRS Local Standards and the number of vehicles for which you claim the operating expenses, fill in the Operating Costs that apply for your Census region or metropolitan statistical area.

\$

9. Vehicle ownership or lease expense: Using the IRS Local Standards, calculate the net ownership or lease expense for each vehicle below. You may not claim the expense if you do not make any loan or lease payments on the vehicle. In addition, you may not claim the expense for more than two vehicles.

Vehicle 1 Describe Vehicle 1:

9a. Ownership or leasing costs using IRS Local Standard

9a. \$

9b. Average monthly payment for all debts secured by Vehicle 1. Do not include costs for leased vehicles.

To calculate the average monthly payment here and on line 9e, add all amounts that are contractually due to each secured creditor in the 60 months after you file for bankruptcy. Then divide by 60.

Table with 2 columns: Name of each creditor for Vehicle 1, Average monthly payment. Includes a \$ entry.

Copy 9b here ->

\$

Repeat this amount on line 29b.

9c. Net Vehicle 1 ownership or lease expense. Subtract line 9b from line 9a. If this number is less than \$0, enter \$0.

9c. \$

Copy net Vehicle 1 expense here ->

\$

Vehicle 2 Describe Vehicle 2:

9d. Ownership or leasing costs using IRS Local Standard

9d. \$

9e. Average monthly payment for all debts secured by Vehicle 2. Do not include costs for leased vehicles.

Table with 2 columns: Name of each creditor for Vehicle 2, Average monthly payment. Includes a \$ entry.

Copy here ->

\$

Repeat this amount on line 29c.

9f. Net Vehicle 2 ownership or lease expense. Subtract line 9e from 9d. If this number is less than \$0, enter \$0.

9f. \$

Copy net Vehicle 2 expense here ->

\$

10. Public transportation expense: If you claimed 0 vehicles in line 7, using the IRS Local Standards, fill in the Public Transportation expense allowance regardless of whether you use public transportation.

\$

11. Additional public transportation expense: If you claimed 1 or more vehicles in line 7 and if you claim that you may also deduct a public transportation expense, you may fill in what you believe is the appropriate expense, but you may not claim more than the IRS Local Standard for Public Transportation.

\$

Other Necessary Expenses

In addition to the expense deductions listed above, you are allowed your monthly expenses for the following IRS categories.

12. **Taxes:** The total monthly amount that you actually pay for federal, state and local taxes, such as income taxes, self-employment taxes, social security taxes, and Medicare taxes. You may include the monthly amount withheld from your pay for these taxes. If you expect to receive a tax refund, you must divide the refund by 12 and subtract that number from the total monthly amount you actually pay for taxes. \$ _____
Do not include real estate or sales taxes.

13. **Involuntary deductions:** The total monthly payroll deductions that your job requires, such as retirement contributions, union dues, and uniform costs. \$ _____
Do not include amounts that are not required by your job, such as voluntary 401(k) contributions or payroll savings.

14. **Life insurance:** The total monthly premiums that you pay for your term life insurance. \$ _____
Do not include premiums for insurance on your dependents, for whole life, or for any other form of life insurance.

15. **Court-ordered payments:** The total monthly amount that you pay as required by the order of a court or administrative agency, such as spousal or child support payments. \$ _____
Do not include payments on past due obligations for spousal or child support. You will list these obligations in line 31.

16. **Education:** The total monthly amount that you pay for education that is either required:
 as a condition for your job, or
 for your physically or mentally challenged dependent child if no public education is available for similar services. \$ _____

17. **Childcare:** The total monthly amount that you pay for childcare, such as babysitting, daycare, nursery, and preschool. \$ _____
Do not include payments for any elementary or secondary school education.

18. **Additional health care expenses, excluding insurance costs:** The monthly amount that you pay for health care that is required for the health and welfare of you or your dependents and that is not reimbursed by insurance or paid by a health savings account. Include only the amount that is more than the total entered in line 3. \$ _____
Payments for health insurance or health savings accounts should be listed only in line 21.

19. **Telecommunication services:** The total monthly amount that you pay for telecommunication services, such as pagers, call waiting, caller identification, special long distance, business internet service, and business cell phone service, to the extent necessary for your health and welfare or that of your dependents or for the production of income, if it is not reimbursed by your employer. + _____
Do not include payments for basic home telephone, internet and cell phone service. Do not include self-employment expenses, such as those reported on line 5 of *Official Form 22C-1*, or any amount you previously deducted.

20. **Add all of the expenses allowed under the IRS expense allowances.** \$ _____
Add lines 2 through 19.

Additional Expense Deductions

These are additional deductions allowed by the Means Test.

Note: Do not include any expense allowances listed in lines 2-20.

21. Health insurance, disability insurance, and health savings account expenses. The monthly expenses for health insurance, disability insurance, and health savings accounts that are reasonably necessary for yourself, your spouse, or your dependents.

Health insurance \$
Disability insurance \$
Health savings account + \$
Total \$

Copy total here -> \$

Do you actually spend this total amount?

No. How much do you actually spend? \$
Yes

22. Continuing contributions to the care of household or family members. The actual monthly expenses that you will continue to pay for the reasonable and necessary care and support of an elderly, chronically ill, or disabled member of your household or member of your immediate family who is unable to pay for such expenses.

\$

23. Protection against family violence. The reasonably necessary monthly expenses that you incur to maintain the safety of you and your family under the Family Violence Prevention and Services Act or other federal laws that apply.

\$

By law, the court must keep the nature of these expenses confidential.

24. Additional home energy costs. Your home energy costs are included in your non-mortgage housing and utilities allowance on line 4.

If you believe that you have home energy costs that are more than the home energy costs included in the non-mortgage housing and utilities allowance, then fill in the excess amount of home energy costs. \$

You must give your case trustee documentation of your actual expenses, and you must show that the additional amount claimed is reasonable and necessary.

25. Education expenses for dependent children who are younger than 18. The monthly expenses (not more than \$147* per child) that you pay for your dependent children who are younger than 18 years old to attend a private or public elementary or secondary school.

\$

You must give your case trustee documentation of your actual expenses, and you must explain why the amount claimed is reasonable and necessary and not already accounted for in lines 2-19.

* Subject to adjustment on 4/01/13, and every 3 years after that for cases begun on or after the date of adjustment.

26. Additional food and clothing expense. The monthly amount by which your actual food and clothing expenses are higher than the combined food and clothing allowances in the IRS National Standards. That amount cannot be more than 5% of the food and clothing allowances in the IRS National Standards.

\$

To find the maximum additional allowance, either go to http://www.justice.gov/ust/eo/bapcpa/meanstesting.htm or ask for help at the clerk's office of the bankruptcy court.

You must show that the additional amount claimed is reasonable and necessary.

27. Continuing charitable contributions. The amount that you will continue to contribute in the form of cash or financial instruments to a religious or charitable organization. 11 U.S.C. § 548(d)(3) and (4).

+ \$

Do not include any amount more than 15% of your gross monthly income.

28. Add all of the additional expense deductions.

Add lines 21 through 27.

\$

Deductions for Debt Payment

29. **For debts that are secured by an interest in property that you own, including home mortgages, vehicle loans, and other secured debt, fill in lines 29a through 29g.**

To calculate the total average monthly payment, add all amounts that are contractually due to each secured creditor in the 60 months after you file for bankruptcy. Then divide by 60.

			Average monthly payment
Mortgages on your home			
29a. Copy line 5b here			\$ _____
Loans on your first two vehicles			
29b. Copy line 9b here.			\$ _____
29c. Copy line 9e here.			\$ _____
Name of each creditor for other secured debt	Identify property that secures the debt	Does payment include taxes or insurance?	
29d.		<input type="checkbox"/> No <input type="checkbox"/> Yes	\$ _____
29e.		<input type="checkbox"/> No <input type="checkbox"/> Yes	\$ _____
29f.		<input type="checkbox"/> No <input type="checkbox"/> Yes	+ \$ _____
29g. Total average monthly payment. Add lines 29a through 29f.....			\$ _____

Copy total here → \$ _____

30. **Are any debts that you listed in line 29 secured by your primary residence, a vehicle, or other property necessary for your support or the support of your dependents?**

- No. Go to line 31.
- Yes. State any amount that you must pay to a creditor, in addition to the payments listed in line 29, to keep possession of your property (called the *cure amount*). Next, divide by 60 and fill in the information below.

Name of the creditor	Identify property that secures the debt	Total cure amount	Monthly cure amount
		\$ _____ ÷ 60 =	\$ _____
		\$ _____ ÷ 60 =	\$ _____
		\$ _____ ÷ 60 =	+ \$ _____
Total			\$ _____

Copy total here → \$ _____

31. **Do you owe any priority claims — such as a priority tax, child support, or alimony — that are past due as of the filing date of your bankruptcy case? 11 U.S.C. § 507**

- No. Go to line 32.
- Yes. Fill in the total amount of all of these priority claims. Do not include current or ongoing priority claims, such as those you listed in line 15.

Total amount of all past-due priority claims. \$ _____ ÷ 60 = \$ _____

32. Projected monthly Chapter 13 plan payment

Current multiplier for your district as determined under schedules issued by the Executive Office for United States Trustees. To find this information, go to http://www.justice.gov/ust/eo/bapcpa/meanstesting.htm or ask for help at the clerk's office

Average monthly administrative expense

Form with fields for dollar amounts and a 'Copy total here' arrow pointing to a result box.

33. Add all of the deductions for debt payment. Add lines 29 through 32.

Total Deductions from Income

34. Add all of the allowed deductions.

Copy line 20, All of the expenses allowed under IRS expense allowances

Copy line 28, All of the additional expense deductions

Copy line 33, All of the deductions for debt payment

Total deductions

Form with fields for dollar amounts and a 'Copy total here' arrow pointing to a result box.

Part 2: Determine Your Disposable Income Under 11 U.S.C. § 1325(b)(2)

35. Copy your total current monthly income from line 14 of Form 22C-1, Chapter 13 Statement of Your Current Monthly Income and Calculation of Commitment Period

Form with a dollar amount field.

36. Fill in any reasonably necessary income you receive for support for dependent children. The monthly average of any child support payments, foster care payments, or disability payments for a dependent child, reported in Part I of Form 22C-1, that you received in accordance with applicable nonbankruptcy law to the extent reasonably necessary to be expended for such child.

Form with a dollar amount field.

37. Fill in all qualified retirement deductions. The monthly total of all amounts that your employer withheld from wages as contributions for qualified retirement plans, as specified in § 541(b)(7) plus all required repayments of loans from retirement plans, as specified in § 362(b)(19).

Form with a dollar amount field.

38. Total of all deductions allowed under 11 U.S.C. § 707(b)(2)(A). Copy line 34.

Form with a dollar amount field.

39. Deduction for special circumstances. If special circumstances justify additional expenses and you have no reasonable alternative, describe the special circumstances and their expenses. You must give your case trustee a detailed explanation of the special circumstances and documentation for the expenses.

Table with 2 columns: Describe the special circumstance, Amount of expense. Rows 39a, 39b, 39c, 39d.Total.

Form with a 'Copy 39d here' arrow pointing to a result box.

40. **Total adjustments.** Add lines 36 through 39d.

\$ _____ Copy total here → — \$ _____

41. **Calculate your monthly disposable income under § 1325(b)(2).** Subtract line 40 from line 35.

\$ _____

Part 3: Change in Income or Expenses

42. **Change in income or expenses.** If the income in Form 22C-1 or the expenses you reported in this form has changed or is virtually certain to change during the 12 months after the date you filed your bankruptcy petition, fill in the information below. For example, if the wages reported increased after you filed your petition, check 22C-1 in the first column, enter line 2 in the second column, explain why the wages increased, fill in when the increase occurred, and fill in the amount of the increase.

Form	Line	Reason for change	Date of change	Increase or decrease?	Amount of change
<input type="checkbox"/> B22C-1				<input type="checkbox"/> Increase	\$ _____
<input type="checkbox"/> B22C-2	_____		_____	<input type="checkbox"/> Decrease	
<input type="checkbox"/> B22C-1				<input type="checkbox"/> Increase	\$ _____
<input type="checkbox"/> B22C-2	_____		_____	<input type="checkbox"/> Decrease	
<input type="checkbox"/> B22C-1				<input type="checkbox"/> Increase	\$ _____
<input type="checkbox"/> B22C-2	_____		_____	<input type="checkbox"/> Decrease	
<input type="checkbox"/> B22C-1				<input type="checkbox"/> Increase	\$ _____
<input type="checkbox"/> B22C-2	_____		_____	<input type="checkbox"/> Decrease	

Part 4: Sign Here

By signing here, under penalty of perjury you declare that the information on this statement and in any attachments is true and correct.

X _____

Signature of Debtor 1

Date _____
MM / DD / YYYY

X _____

Signature of Debtor 2

Date _____
MM / DD / YYYY

Official Forms 22C–1 and 22C–2

Instructions for the Chapter 13 Statement of Your Current Monthly Income, Calculation of Commitment Period and Chapter 13 Calculation of Your Disposable Income

United States Bankruptcy Court

12/01/13

How to Fill Out these Forms

Official Forms 22C–1 and 22C–2 determine the period for your payments to creditors, how the amount you may be required to pay to creditors is established, and, in some situations, how much you must pay.

You must file 22C –1, the *Chapter 13 Statement of Your Current Monthly Income and Calculation of Commitment Period* (Official Form 22C –1) if you are an individual and you are filing under chapter 13. This form will determine your current monthly income and determine whether your income is below the median income for households of the same size in your state. If your income is not above the median, you will not have to fill out the second form. Form 22C -1 also will determine your applicable commitment period—the time period for making payments to your creditors.

If your income is above the median, you must file the second form, 22C –2, *Chapter 13 Calculation of Your Disposable Income*. The calculations on this form—sometimes called the *Means Test*—reduce your income by living expenses and payment of certain debts, resulting in an amount available to pay unsecured debts. Your chapter 13 plan may be required to provide for payment of this amount toward unsecured debts.

Read each question carefully. You may not be required to answer every question on this form. The instructions will alert you if you may skip questions.

Some of the questions require you to go to other sources for information. In those cases, the form has instructions for where to find the information you need.

If you and your spouse are filing together, you and your spouse must file a single statement.

Understand the terms used in these form

These forms use *you* and *Debtor 1* to refer to a debtor filing alone. A married couple may file a bankruptcy case together—called a *joint case*—and in joint cases, these forms use *you* to ask for information from both debtors. When information is needed about the spouses separately, the forms use *Debtor 1* and *Debtor 2* to distinguish between them. In joint cases, one of the spouses must report information as *Debtor 1* and the other as *Debtor 2*. The same person must be *Debtor 1* in all of the forms.

Things to remember when filling out this form

- Be as complete and accurate as possible.
- If more space is needed, attach a separate sheet to this form. Include the line number to which the additional information applies. On the top of any additional pages, write your name and case number (if known).
- If two married people are filing together, both are equally responsible for supplying correct information.

Do not file these instructions with your bankruptcy filing package. Keep them for your records.

COMMITTEE NOTE

Official Forms 22A-1, 22A-2, 22C-1, and 22C-2 are new versions of the “means test” forms used by individuals in chapter 7 and 13, formerly Official Forms 22A and 22C. The original forms were substantially revised as part of the Forms Modernization Project. Official Form 22B, used by individuals in chapter 11, has also been revised as part of the project, which was designed so that the individuals completing the forms would do so more accurately and completely.

The revised versions of the means test forms present the relevant information in a format different from the original forms. For chapter 7, former Official Form 22A has been split into two forms: 22A-1 and 22A-2. The first form, Official Form 22A-1, *Chapter 7 Statement of Your Current Monthly Income*, is to be completed by all chapter 7 debtors. It calculates a debtor’s current monthly income and compares that calculation to the median income for households of the same size in the debtor’s state. The second form, Official Form 22A-2, *Chapter 7 Means Test Calculation*, is to be completed only by those chapter 7 debtors whose income is above the applicable state median.

For chapter 13, there is a similar split of income and expense calculations. All chapter 13 debtors must complete Official Form 22C-1, *Chapter 13 Statement of Your Current Monthly Income and Calculation of Commitment Period*, which calculates current monthly income and the plan commitment period. Debtors only need to complete the second form, Official Form 22C-2, *Chapter 13 Calculation of Your Disposable Income*, if their current monthly income exceeds the applicable median. Form 22C-2 calculates disposable income under 11 U.S.C. § 1325(b)(3), through a report of allowed expense deductions.

Line 60 of former Official Form 22C has not been repeated in Official Form 22C-2. This line allowed debtors to list, but not deduct from income, “Other Necessary Expense” items that are not included within the categories specified by the Internal Revenue Service. Because debtors are separately allowed to list—and deduct—any expenses arising from special circumstances, former Line 60 was rarely used.

Form 22C-2 also reflects the Supreme Court’s decision in *Hamilton v. Lanning*, 130 S. Ct. 2464 (2010). Adopting a forward-looking approach, the Court held in *Lanning* that the calculation of a chapter 13 debtor’s projected disposable income under § 1325(b)

required consideration of changes to income or expenses reported elsewhere on former Official Form 22C that, at the time of plan confirmation, had occurred or were virtually certain to occur. Those changes could result in either an increased or decreased projected disposable income. Because only debtors whose annualized current monthly income exceeds the applicable median family income have their projected disposable income determined by the information provided on Official Form 22C-2, only these debtors are required to provide the information about changes to income and expenses on Official Form 22C-2. Part 3 of Official Form 22C-2 provides for the reporting of those changes.

In reporting changes to income a debtor must indicate whether the amounts reported in Official Form 22C-1—which are monthly averages of various types of income received during the six months prior to the filing of the bankruptcy case—have already changed or are virtually certain to change during the 12 months following the filing of the bankruptcy petition. For each change, the debtor must indicate the line of Official Form 22C-1 on which the amount to be changed was reported, the reason for the change, the date of its occurrence, whether the change is an increase or decrease of income, and the amount of the change. Similarly, in reporting changes to expenses, a debtor must list changes to the debtor's actual expenditures reported in Part 1 of Official Form C-2 that are virtually certain to occur during the 12 months following the filing of the bankruptcy petition. With respect to the deductible amounts reported in Part 1 that are determined by the IRS national and local standards, only changed amounts that result from changed circumstances in the debtor's life—such as the addition of a family member or the surrender of a vehicle—should be reported. For each change in expenses, the same information required to be provided for income changes must be reported.

Unlike former Official Forms 22A and 22C, line 23 of Official Form 22A-2 and line 19 of Official Form 22C-2 permit the deduction of cell phone expenses necessary for the production of income if those expenses have not been reimbursed by the debtor's employer or deducted by the debtor in calculating net self-employment income. The same lines also state that expenses for internet service may be deducted as a telecommunication services expense only if necessary for the production of income. Under IRS guidelines adopted in 2011, expenses for home internet service used for other purposes are included in the Local Standards for Housing and utilities—Insurance and operating expenses.