

Bankruptcy Tax Issues
Mini-Course Description & Study Guide
Course No. 4300

The Bankruptcy Abuse Prevention and Consumer Protection Act was enacted to minimize abuse of the bankruptcy system. Included in this Act were tax law changes and other changes that individuals, partnerships, and corporations will see in the bankruptcy procedures and qualifications. This mini-course both examines these changes that debtors will face when filing for federal bankruptcy and also explores the many tax issues of bankruptcy. Practitioners will also learn about other issues such as homesteading and garnishment by creditors.

Completion Deadline & Exam: This course, including the examination, must be completed within one year of the date of purchase. In addition, unless otherwise indicated, no correct or incorrect feedback for any exam question will be provided.

Category:	Taxes
Course Level:	Overview
Prerequisites:	None
Recommended CPE hours:	2
Course qualification:	Qualifies for both NASBA QAS and Registry CPE Credit based on a 50-minute per CPE hour measurement.
CPE sponsor information:	Ultimate CPE, Inc. NASBA Registry Sponsor Number: 108036 NASBA QAS Number: 032
Publication date:	February 28, 2013

Learning Objectives

After reading the materials, participants will be able to:

1. Analyze the 2005 Bankruptcy Act by identifying changes to bankruptcy procedures and qualifications comparing the three most common types of bankruptcy filings and select the appropriate bankruptcy filing using a debtor's status as an individual or business and their ability to pay off creditors.
2. Explain the scope of the automatic stay, the recoupment preferential transfers, and the priority of creditor claims categorizing dischargeable and nondischargeable debts based on bankruptcy filing.
3. Outline the creation of a separate individual bankruptcy estate determining its taxable income, appropriate deductions, and special tax year elections and contrast individual with partnership and corporate bankruptcy comparing filing bankruptcy requirements, debt discharge and asset liquidations including reorganizations.
4. Describe the purpose of homestead laws and available homestead types including the degree of homeowner protection afforded and identify the special rules, terms, and application of garnishment laws.

Many assets may be protected by federal or state law - i.e., they have statutory protection. Such provisions commonly apply to home equity, wages, annuities, retirement plans, and insurance.