

UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA

IN RE:) CHAPTER: 11
)
Jerome Sydney Heyward) Case No: 16-00564-dd
)
)
) Debtor)
_____)

FIRST AMENDMENT TO DISCLOSURE STATEMENT

Comes now the Debtor-in-Possession, Jerome Sydney Heyward, and hereby submits the following amendment to the Disclosure Statement filed on August 12, 2016, (Document No. 74)(“Disclosure Statement”).

1. The section entitled **POST PETITION INFORMATION REGARDING DEBTOR** is hereby amended to including the following footnote:

“J S Heyward Consulting, LLC is currently negotiating a services contract with a new client to provide lobbying services. J S Heyward Consulting, LLC intends to complete and finalize negotiations on or before September 23, 2016 (“New Contract”). J S Heyward Consulting, LLC projects that this New Contract will provide an additional \$5,000.00 per month bringing his total gross monthly income to \$21,000.00 which will be sufficient to cover proposed plan payments and post-petition tax obligations.”

2. The section entitled **DEBTOR’S SCHEDULE OF PAYMENT DISTRIBUTIONS TO CREDITORS, CLASS 2 – PRIORITY CLAIMS**, Internal Revenue Service: which states as follows:

~~“This creditor filed a proof of claim (“POC”) for a priority claim in the amount of \$97,400.41 which did not reflect the late filing of the 2013, 2014 and 2015 tax returns. The Debtor intends to file an objection to the claim to reduce the amount to \$92,117.00 accordingly. This creditor will be paid the sum of \$1,825.00 per month (which includes three (3%) percent fixed rate of interest) until the priority amount is paid in full within 5 years after the date of the order for relief. This should take approximately 52 months.”~~

is hereby deleted and replaced with the following:

“This creditor filed an amended proof of claim (“POC”) for a priority claim in the amount of \$94,365.32 subject to assessments being completed by this creditor for 2013, 2014 and 2015. The total priority claim for this creditor is \$94,365.32. This claim will be paid through monthly payments as set forth herein until the balance is paid in full including the applicable interest. This creditor will be paid the sum of \$1,870.00 per month (which includes three (3%) percent fixed rate of interest) until the priority amount is paid in full within 5 years after the date of the order for relief. This should take approximately 52 months.”

3. The **DEBTOR’S SCHEDULE OF PAYMENT DISTRIBUTIONS TO CREDITORS, CLASS 3 – SECURED CLAIMS** is amended by including the following claim:

SECURED CREDITOR AND COLLATERAL DESCRIPTION	SCHEDULED AMOUNT OF SECURED CLAIM	PROPOSED AMOUNT OF ALLOWED SECURED CLAIM	PROPOSED AMOUNT OF ALLOWED UNSECURED CLAIM	PROPOSED MONTHLY PAYMENT OF SECURED CLAIM
INTERNAL REVENUE SERVICE CENTRALIZED INSOLVENCY OPERATION P.O. BOX 7346 PHILADELPHIA, PA 19101-7346	\$50,892.45	\$50,892.45	N/A	\$1,008.00

A Tax Lien was recorded in Charleston County, South Carolina, Book 2010-23642, Serial Number 728035810 (“Tax Lien”). This creditor did file a POC. The tax owed is with regard to the tax period ending 12/31/2008 which was assessed on 03/29/2010. This creditor will be paid the sum of \$1,825.00 per month (which includes three (3%) percent fixed rate of interest) until the priority amount is paid in full within 5 years after the date of the order for relief. This should take approximately 52 months. *The total secured amount of this creditor’s proof of claim was \$50,892.45.*

- The paragraphs of **DEBTOR’S SCHEDULE OF PAYMENT DISTRIBUTIONS TO CREDITORS, CLASS 4 – JUDGMENT CREDITORS & MECHANICS LIENS TABLE** regarding the Internal Revenue Service and South Carolina Department of Revenue which state as follows:

CLASS 4 – JUDGMENT CREDITORS & MECHANICS LIENS TABLE

JUDGMENT CREDITOR	SCHEDULED AMOUNT OF SECURED CLAIM	PROPOSED AMOUNT OF ALLOWED CLAIM	Proposed Allowed Claim Amount %	PROPOSED MONTHLY PAYMENT
Internal Revenue Service Centralized Insolvency Operation P.O. Box 7346 Philadelphia, PA 19101-7346	\$50,892.45	\$50,892.45	5%	\$43.00

A Tax Lien was recorded in Charleston County, South Carolina, Book 2010-23642, Serial Number 728035810, but this creditor. This creditor did file a POC. The tax owed is with regard to the tax period ending 12/31/2009 which was assessed on 04/05/2010. This claim will be paid through monthly payments as set forth herein until the balance of its allowed percentage of claim, as valued above, is paid in full. *The total amount of this creditor’s proof of claim was \$50,892.45. The debtor’s plan proposes to pay the sum of \$2,580.00 as set forth above.*

South Carolina Department of Revenue P.O. Box 12265 Columbia, SC 29211	\$42,901.35	\$42,901.35	5%	\$41.00
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Various Tax Liens were recorded in Charleston County, South Carolina by this creditor. This creditor did file a POC but did not claim for the taxes owed with regard to the tax period ending 2008 thru 2012. This claim will be paid through monthly payments as set forth herein until the balance of its allowed percentage of claim, as valued above, is paid in full. *The debtor’s plan proposes to pay the sum of \$2,160.00 as set forth above.*

are hereby deleted in their entirety.

- The entire paragraph of **DEBTOR’S SCHEDULE OF PAYMENT DISTRIBUTIONS TO CREDITORS, CLASS 6(A) – CLAIMS OF GENERAL UNSECURED CREDITORS TABLE** regarding the South Carolina Department of Revenue which states as follows:

CLASS 6(A) – CLAIMS OF GENERAL UNSECURED CREDITORS

GENERAL UNSECURED CREDITORS	Unsecured Claim Amount	Proposed Allowed Unsecured Claim Amount %	Proposed Plan Payout of Unsecured Claim
South Carolina Department of Revenue P.O. Box 12265 Columbia, SC 29211	\$1,549.86	5%	\$78.00

This creditor filed a POC in the amount of \$54,900.26 broken down into the following categories: (a) priority in the amount of \$10,449.05, (b) secured in the amount of \$42,901.35; and (c) general unsecured in the amount of \$1,549.86. The debtor will pay 5% of this claim through monthly payments as set forth herein until 5% of the balance is paid in full. *The total amount of this creditor's proof of claim was \$54,900.26. The debtor's plan proposes to pay the sum of \$10,449.05, plus 3.00% interest, as priority, \$2,160.00 as secured and \$78.00 as unsecured*

is hereby deleted in its entirety.

- The entire paragraph of **DEBTOR'S SCHEDULE OF PAYMENT DISTRIBUTIONS TO CREDITORS, CLASS 6(B) – CLAIMS OF GENERAL UNSECURED CREDITORS TABLE** regarding the Internal Revenue Service which states as follows:

Internal Revenue Service Centralized Insolvency Operation P.O. Box 7346 Philadelphia, PA 19101-7346	\$186,074.41	5%	\$155.00 per month
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This creditor filed a POC in the amount of \$334,367.27 broken down into the following categories: (a) priority in the amount of \$97,400.41 which did not reflect the late filing for 2013, 2014 and 2015 — Debtor contends amount of priority claim is only \$92,117.00, (b) secured in the amount of \$50,892.45 for taxes assessed in 2010; and (c) general unsecured in the amount of \$186,074.41. The debtor will pay 5% of this claim through monthly payments as set forth herein until 5% of the balance is paid in full. *The total amount of this creditor's proof of claim was \$334,367.27. However, the claim failed to reflect the tax filings for 2013, 2014 and 2015; consequently, the debtor's plan proposes to pay the sum of \$92,117.00, plus 3.00% interest, as priority, \$2,600.00 as secured and \$9,300.00 as unsecured.*

is hereby deleted and replaced with the following:

Internal Revenue Service Centralized Insolvency Operation P.O. Box 7346 Philadelphia, PA 19101-7346	\$189,790.91	5%	\$159.00 per month
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This creditor filed an amended POC in the amount of \$335,048.68 pending final assessment of the Debtor's tax returns for 2013, 2014 and 2015. The amended POC contained a general unsecured claim in the amount of \$189,790.91. The debtor will pay 5% of the allowed unsecured claim amount through monthly payments as set forth herein. *The debtor's plan proposes to pay the sum of \$9,540.00 as unsecured.*

- The **DEBTOR'S SCHEDULE OF PAYMENT DISTRIBUTIONS TO CREDITORS, CLASS 6(B) – CLAIMS OF GENERAL UNSECURED CREDITORS TABLE** is amended to include the following claim:

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CLASS 6(B) – CLAIMS OF GENERAL UNSECURED CREDITORS

GENERAL UNSECURED CREDITORS	Unsecured Claim Amount	Proposed Allowed Unsecured Claim Amount %	Proposed Plan Payout of Unsecured Claim
South Carolina Department of Revenue P.O. Box 12265 Columbia, SC 29211	\$44,451.21	5%	\$37.00 per month

This creditor filed a POC in the amount of \$54,900.26 broken down into the following categories: (a) priority in the amount of \$10,449.05, (b) secured in the amount of \$42,901.35; and (c) general unsecured in the amount of \$1,549.86. The debtor filed an objection to the claim asserting that this creditor’s tax lien is subordinate to the tax lien of the Internal Revenue Service which was filed prior thereto, and due to the fact that the Debtor’s assets were not sufficient to satisfy the senior Internal Revenue Service tax lien, this creditor’s tax lien is deemed unsecured. Consequently, the Debtor asserts that this creditor’s unsecured claim amount is actually \$44,451.21 and will pay 5% of this claim through monthly payments as set forth herein until 5% of the balance is paid in full. *The total amount of this creditor’s proof of claim was \$54,900.26. The debtor’s plan proposes to pay the sum of \$10,920.00, as priority and \$2,220.00 as unsecured.*

The aforementioned amendment is the only change to the Disclosure Statement. The entire remainder of the Disclosure Statement remains unchanged.

/S/Robert A. Pohl

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Dated: September 14, 2016