

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TENNESSEE
MEMPHIS DIVISION

IN RE:
GREATER HOPE BAPTIST CHURCH, INC.,
Debtor in Possession.

CASE NO. 16-30641-DSK
CHAPTER 11

OBJECTION BY SHELBY COUNTY TRUSTEE AND BY CITY OF MEMPHIS TO
DISCLOSURE STATEMENT

TO THE HONORABLE COURT:

NOW COME the Shelby County Trustee (“Shelby County”) and City of Memphis (“Memphis”), sometimes referred to herein as “Local Taxing Authorities”, and object to the Disclosure Statement on the following grounds:

1. In addition to incorrectly stating the amount¹ currently owed on the Shelby County Trustee’s claim for pre-petition taxes, etc., the amounts of the proposed monthly payments on each of the Local Taxing Authorities’ claims are unclear in that the amounts stated in words disagree with the amounts stated in numbers. The amounts are stated as “One Hundred Fifty Dollars and no cents (\$ 100.00)” per month for the claim of the Shelby County Trustee and “Five Hundred Fifty Dollars and no cents (\$ 500.00)” for the

¹ The Shelby County Trustee’s claim, filed November 17, 2016, was for \$4,824.20. The proposed plan misrepresents the amount of the Shelby County Trustee’s claim to be \$3,483.69.

claim of the City of Memphis. A possible solution might be to add language to the plan as follows²:

Each of the claims of Shelby County Trustee and City of Memphis (collectively “Local Taxing Authorities”) shall be paid, with accruing statutory interest calculated on the base tax included in such claim at 12% per annum until July 1, 2017, and at 18% per annum beginning July 1, 2017, in monthly installment payments of at least \$122.50 per month for the Shelby County trustee’s claim, and in monthly installment payments of at least \$357.56 per month for the City of Memphis’ claim, commencing on or before 30 days following the Effective Date, and continuing monthly thereafter until November 17, 2021, at which time the then remaining balance, if any, on each claim will be paid in full.

2. The Plan fails to clearly indicate that upon failure to pay ad valorem property taxes according to the approved Plan or to pay post-petition ad valorem property taxes, the Local Taxing Authorities are entitled to pursue their remedies pursuant to applicable non-bankruptcy law without seeking further relief from this court. Such lack of clarity is compounded by the language at pp. 12 -13 of the Plan regarding “Retention of Jurisdiction”. The Local Taxing Authorities propose that the following language, or language similar thereto, be added to the Plan:

Notwithstanding any language herein to the contrary, if pre-petition claims or administrative expenses arising from ad valorem property taxes owed Shelby County Trustee and/or City of Memphis are not paid as required by the Plan, or if post-petition ad valorem property taxes are not paid prior to the dates on which such ad valorem property taxes will be deemed delinquent if not paid, Shelby County Trustee or City of Memphis may exercise any and all remedies available under state law for enforcement of

² 11 U.S.C. § 1129(a)(9)(D) requires that secured claims of governmental units to be paid in the same manner over the same period as prescribed in 11 U.S.C. § 1129(a)(9)(C) which requires “. . . regular installment payments in cash . . . over a period ending not later than 5 years from the date of the order for relief . . .”. The date of the order for relief was the petition date, November 21, 2016. The amounts proposed are based on amortizations, at 18 % per annum, over 60 months beginning December 1, 2017.

their statutory lien for delinquent ad valorem property taxes, without the need to seek any kind of relief from this Court.

WHEREFORE, the Local Taxing Authorities object to the Disclosure statement and further request such other relief as is just and proper.

Dated: July 24, 2017

Respectfully submitted,

/s/ Elijah Noel, Jr.
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Attorney for Shelby County Trustee
and for City of Memphis

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served upon all parties by electronic notice or U.S. Mail on the date of filing.

/s/ Elijah Noel, Jr._____