

107TH CONGRESS
2D SESSION

S. 2996

To amend title 11, United States Code, to limit the value of certain real and personal property that a debtor may elect to exempt under State or local law, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 24, 2002

Mr. KOHL (for himself, Mr. SESSIONS, and Mrs. FEINSTEIN) introduced the following bill; which was read twice and referred to the Committee on the Judiciary

A BILL

To amend title 11, United States Code, to limit the value of certain real and personal property that a debtor may elect to exempt under State or local law, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Bankruptcy Abuse Re-
5 form Act of 2002”.

6 **SEC. 2. LIMITATION.**

7 Section 522 of title 11, United States Code, is
8 amended—

1 (1) in subsection (b)(2)(A), by inserting “sub-
2 ject to subsection (n),” before “any property”; and

3 (2) by adding at the end the following new sub-
4 section:

5 “(n)(1) As a result of electing under subsection
6 (b)(2)(A) to exempt property under State or local law, a
7 debtor may not exempt any amount of interest that ex-
8 ceeds, in the aggregate, \$125,000 in value in—

9 “(A) real or personal property that the debtor
10 or a dependent of the debtor uses as a residence;

11 “(B) a cooperative that owns property that the
12 debtor or a dependent of the debtor uses as a resi-
13 dence; or

14 “(C) a burial plot for the debtor or a dependent
15 of the debtor.

16 “(2) The limitation under paragraph (1) shall not
17 apply to an exemption claimed under subsection (b)(3)(A)
18 by a family farmer for the principal residence of that
19 farmer.”.

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