

Editorial Notes

AMENDMENTS

2022—Subsec. (c)(3). Pub. L. 117–151 added par. (3) and struck out former par. (3) which read as follows:

“(3)(A)(i) The debtor will be able to make all payments under the plan; or

“(ii) there is a reasonable likelihood that the debtor will be able to make all payments under the plan; and

“(B) the plan provides appropriate remedies, which may include the liquidation of nonexempt assets, to protect the holders of claims or interests in the event that the payments are not made.”

2020—Subsec. (f). Pub. L. 116–260, §320(f)(2)(A)(iii), contingent on its addition by Pub. L. 116–260, §320(c), struck out subsec. (f). Text read as follows: “Notwithstanding section 1129(a)(9)(A) of this title and subsection (e) of this section, a plan that provides for payment of a claim of a kind specified in section 503(b)(10) of this title may be confirmed under subsection (b) of this section if the plan proposes to make payments on account of such claim when due under the terms of the loan giving rise to such claim.”

Pub. L. 116–260, §320(c), added subsec. (f).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2022 AMENDMENT

Amendment by Pub. L. 117–151 applicable with respect to any case that is commenced under this title on or after Mar. 27, 2020, and with respect to a case that was commenced on or after Mar. 27, 2020, and before June 21, 2022, that is pending on June 21, 2022, see section 2(h)(2) of Pub. L. 117–151, set out as an Effective Date of 2022 Amendment; Retroactive Application note under section 101 of this title.

EFFECTIVE AND TERMINATION DATES OF 2020 AMENDMENT

Amendment by section 320(c) of div. N of Pub. L. 116–260 effective on the date on which the Administrator of the Small Business Administration submits to the Director of the Executive Office for United States Trustees a written determination relating to loan eligibility under pars. (36) and (37) of section 636(a) of Title 15, Commerce and Trade, and applicable to any case pending on or commenced on or after such date, and amendment by section 320(f)(2)(A)(iii) of div. N of Pub. L. 116–260, relating to repeal of such amendment if it became effective, effective two years after Dec. 27, 2020, see section 320(f) of Pub. L. 116–260, set out as a note under section 364 of this title.

[Pursuant to 15 U.S.C. 636(a)(36)(A)(iii), the “covered period” for loans under the Paycheck Protection Program ended on June 30, 2021.]

EFFECTIVE DATE

Section effective 180 days after Aug. 23, 2019, see section 5 of Pub. L. 116–54, set out as an Effective Date of 2019 Amendment note under section 101 of this title.

§ 1192. Discharge

If the plan of the debtor is confirmed under section 1191(b) of this title, as soon as practicable after completion by the debtor of all payments due within the first 3 years of the plan, or such longer period not to exceed 5 years as the court may fix, unless the court approves a written waiver of discharge executed by the debtor after the order for relief under this chapter, the court shall grant the debtor a discharge of all debts provided in section 1141(d)(1)(A) of this title, and all other debts allowed under section 503 of this title and provided for in the plan, except any debt—

(1) on which the last payment is due after the first 3 years of the plan, or such other time not to exceed 5 years fixed by the court; or

(2) of the kind specified in section 523(a) of this title.

(Added Pub. L. 116–54, §2(a), Aug. 23, 2019, 133 Stat. 1083.)

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective 180 days after Aug. 23, 2019, see section 5 of Pub. L. 116–54, set out as an Effective Date of 2019 Amendment note under section 101 of this title.

§ 1193. Modification of plan

(a) **MODIFICATION BEFORE CONFIRMATION.**—The debtor may modify a plan at any time before confirmation, but may not modify the plan so that the plan as modified fails to meet the requirements of sections 1122 and 1123 of this title, with the exception of subsection (a)(8) of such section 1123. After the modification is filed with the court, the plan as modified becomes the plan.

(b) **MODIFICATION AFTER CONFIRMATION.**—If a plan has been confirmed under section 1191(a) of this title, the debtor may modify the plan at any time after confirmation of the plan and before substantial consummation of the plan, but may not modify the plan so that the plan as modified fails to meet the requirements of sections 1122 and 1123 of this title, with the exception of subsection (a)(8) of such section 1123. The plan, as modified under this subsection, becomes the plan only if circumstances warrant the modification and the court, after notice and a hearing, confirms the plan as modified under section 1191(a) of this title.

(c) **CERTAIN OTHER MODIFICATIONS.**—If a plan has been confirmed under section 1191(b) of this title, the debtor may modify the plan at any time within 3 years, or such longer time not to exceed 5 years, as fixed by the court, but may not modify the plan so that the plan as modified fails to meet the requirements of section 1191(b) of this title. The plan as modified under this subsection becomes the plan only if circumstances warrant such modification and the court, after notice and a hearing, confirms such plan, as modified, under section 1191(b) of this title.

(d) **HOLDERS OF A CLAIM OR INTEREST.**—If a plan has been confirmed under section 1191(a) of this title, any holder of a claim or interest that has accepted or rejected the plan is deemed to have accepted or rejected, as the case may be, the plan as modified, unless, within the time fixed by the court, such holder changes the previous acceptance or rejection of the holder.

(Added Pub. L. 116–54, §2(a), Aug. 23, 2019, 133 Stat. 1083.)

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective 180 days after Aug. 23, 2019, see section 5 of Pub. L. 116–54, set out as an Effective Date of 2019 Amendment note under section 101 of this title.

§ 1194. Payments

(a) **RETENTION AND DISTRIBUTION BY TRUSTEE.**—Payments and funds received by the trustee

shall be retained by the trustee until confirmation or denial of confirmation of a plan. If a plan is confirmed, the trustee shall distribute any such payment in accordance with the plan. If a plan is not confirmed, the trustee shall return any such payments to the debtor after deducting—

(1) any unpaid claim allowed under section 503(b) of this title;

(2) any payment made for the purpose of providing adequate protection of an interest in property due to the holder of a secured claim; and

(3) any fee owing to the trustee.

(b) OTHER PLANS.—If a plan is confirmed under section 1191(b) of this title, except as otherwise provided in the plan or in the order confirming the plan, the trustee shall make payments to creditors under the plan.

(c) PAYMENTS PRIOR TO CONFIRMATION.—Prior to confirmation of a plan, the court, after notice and a hearing, may authorize the trustee to make payments to the holder of a secured claim for the purpose of providing adequate protection of an interest in property.

(Added Pub. L. 116-54, §2(a), Aug. 23, 2019, 133 Stat. 1084.)

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective 180 days after Aug. 23, 2019, see section 5 of Pub. L. 116-54, set out as an Effective Date of 2019 Amendment note under section 101 of this title.

§ 1195. Transactions with professionals

Notwithstanding section 327(a) of this title, a person is not disqualified for employment under section 327 of this title, by a debtor solely because that person holds a claim of less than \$10,000 that arose prior to commencement of the case.

(Added Pub. L. 116-54, §2(a), Aug. 23, 2019, 133 Stat. 1084.)

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective 180 days after Aug. 23, 2019, see section 5 of Pub. L. 116-54, set out as an Effective Date of 2019 Amendment note under section 101 of this title.

CHAPTER 12—ADJUSTMENT OF DEBTS OF A FAMILY FARMER OR FISHERMAN WITH REGULAR ANNUAL INCOME

SUBCHAPTER I—OFFICERS, ADMINISTRATION, AND THE ESTATE

Sec.	
1201.	Stay of action against codebtor.
1202.	Trustee.
1203.	Rights and powers of debtor.
1204.	Removal of debtor as debtor in possession.
1205.	Adequate protection.
1206.	Sales free of interests.
1207.	Property of the estate.
1208.	Conversion or dismissal.

SUBCHAPTER II—THE PLAN

1221.	Filing of plan.
1222.	Contents of plan.
1223.	Modification of plan before confirmation.

Sec.	
1224.	Confirmation hearing.
1225.	Confirmation of plan.
1226.	Payments.
1227.	Effect of confirmation.
1228.	Discharge.
1229.	Modification of plan after confirmation.
1230.	Revocation of an order of confirmation.
1231.	Special tax provisions.
1232.	Claim by a governmental unit based on the disposition of property used in a farming operation.

Editorial Notes

CODIFICATION

Chapter repealed effective Oct. 1, 1998, by Pub. L. 99-554, title III, §302(f), Oct. 27, 1986, 100 Stat. 3124, as amended by Pub. L. 103-65, §1, Aug. 6, 1993, 107 Stat. 311. Chapter, as in effect on Sept. 30, 1998, reenacted for the period beginning on Oct. 1, 1998, and ending on Apr. 1, 1999, by Pub. L. 105-277, div. C, title I, §149(a), Oct. 21, 1998, 112 Stat. 2681-610. Chapter reenacted for successive periods running from Mar. 31, 1999, to July 1, 2005, by Pub. L. 105-277, div. C, title I, §149(a), Oct. 21, 1998, 112 Stat. 2681-610, as successively amended by Pub. L. 106-5, Mar. 30, 1999, 113 Stat. 9; Pub. L. 106-70, Oct. 9, 1999, 113 Stat. 1031; Pub. L. 107-8, May 11, 2001, 115 Stat. 10; Pub. L. 107-17, June 26, 2001, 115 Stat. 151; Pub. L. 107-170, May 7, 2002, 116 Stat. 133; Pub. L. 107-171, title X, §10814, May 13, 2002, 116 Stat. 532; Pub. L. 107-377, §2, Dec. 19, 2002, 116 Stat. 3115; Pub. L. 108-73, §2, Aug. 15, 2003, 117 Stat. 891; Pub. L. 108-369, §2, Oct. 25, 2004, 118 Stat. 1749. Chapter, as in effect on June 30, 2005, permanently reenacted effective July 1, 2005, by Pub. L. 109-8, title X, §1001(a), Apr. 20, 2005, 119 Stat. 185. See Repeal, Reenactment, and Termination of Chapter and Effective Date notes set out under section 1201 of this title.

AMENDMENTS

2017—Pub. L. 115-72, div. B, §1005(b)(2), Oct. 26, 2017, 131 Stat. 1234, added item 1232. Item was added to analysis for this chapter to reflect the probable intent of Congress, notwithstanding directory language adding item to analysis for subchapter II of this chapter.

2005—Pub. L. 109-8, title X, §1007(c)(1), Apr. 20, 2005, 119 Stat. 188, inserted “OR FISHERMAN” after “FAMILY FARMER” in chapter heading.

SUBCHAPTER I—OFFICERS, ADMINISTRATION, AND THE ESTATE

§ 1201. Stay of action against codebtor

(a) Except as provided in subsections (b) and (c) of this section, after the order for relief under this chapter, a creditor may not act, or commence or continue any civil action, to collect all or any part of a consumer debt of the debtor from any individual that is liable on such debt with the debtor, or that secured such debt, unless—

(1) such individual became liable on or secured such debt in the ordinary course of such individual's business; or

(2) the case is closed, dismissed, or converted to a case under chapter 7 of this title.

(b) A creditor may present a negotiable instrument, and may give notice of dishonor of such an instrument.

(c) On request of a party in interest and after notice and a hearing, the court shall grant relief from the stay provided by subsection (a) of this section with respect to a creditor, to the extent that—

(1) as between the debtor and the individual protected under subsection (a) of this section,