

“(A) a maximum annual compensation not to exceed the lowest annual rate of basic pay in effect for grade GS-16 of the General Schedule prescribed under section 5332 of title 5; and

“(B) a percentage fee not to exceed the sum of—  
 “(i) not to exceed ten percent of the payments made under the plan of such debtor, with respect to payments in an aggregate amount not to exceed \$450,000; and

“(ii) three percent of payments made under the plan of such debtor, with respect to payments made after the aggregate amount of payments made under the plan exceeds \$450,000;  
 based on such maximum annual compensation and the actual, necessary expenses incurred by such individual as standing trustee.

“(2) Such individual shall collect such percentage fee from all payments under plans in the cases under this chapter for which such individual serves as standing trustee. Such individual shall pay annually to the Treasury—

“(A) any amount by which the actual compensation received by such individual exceeds five percent of all such payments made under plans in cases under this chapter for which such individual serves as standing trustee; and

“(B) any amount by which the percentage fee fixed under paragraph (1)(B) of this subsection for all such cases exceeds—

“(i) such individual’s actual compensation for such cases, as adjusted under subparagraph (A) of this paragraph; plus

“(ii) the actual, necessary expenses incurred by such individual as standing trustee in such cases.”

See section 586(b) and (e) of Title 28, Judiciary and Judicial Procedure.

**Statutory Notes and Related Subsidiaries**

**EFFECTIVE DATE OF 2005 AMENDMENT**

Amendment by section 219(c) of Pub. L. 109-8 effective 180 days after Apr. 20, 2005, and not applicable with respect to cases commenced under this title before such effective date, except as otherwise provided, see section 1501 of Pub. L. 109-8, set out as a note under section 101 of this title.

**EFFECTIVE DATES**

Permanent reenactment of section effective July 1, 2005, see section 1001(a)(2) of Pub. L. 109-8, set out as a Repeal, Reenactment, and Termination of Chapter note under section 1201 of this title. For effective dates of amendments extending periods for which section was reenacted prior to permanent reenactment, see Effective Date of 1999, 2001, 2002, 2003, and 2004 Amendment notes set out under section 1201 of this title.

Section effective 30 days after Oct. 27, 1986, and before the amendment by section 227 of Pub. L. 99-554, see section 302(c)(2) of Pub. L. 99-554, set out in an Effective Date of 1986 Amendment; Transition and Administrative Provisions note under section 581 of Title 28, Judiciary and Judicial Procedure.

Effective date and applicability of amendment by section 227 of Pub. L. 99-554 dependent upon the judicial district involved, see section 302(d), (e) of Pub. L. 99-554.

**REFERENCES IN SUBSECTION (a) TEMPORARILY DEEMED TO BE REFERENCES TO OTHER PROVISIONS**

Until the amendments made by subtitle A (§§201 to 231) of title II of Pub. L. 99-554 become effective in a district and apply to a case, in subsec. (a) of this section—

- (1) the first two references to the United States trustee are deemed to be references to the court, and
- (2) any reference to section 586(b) of Title 28, Judiciary and Judicial Procedure, is deemed to be a reference to subsec. (c) of this section, see section 302(c)(3)(B), (d), (e) of Pub. L. 99-554, set out in an Effective Date of 1986 Amendment; Transition and

Administrative Provisions note under section 581 of Title 28.

**§ 1203. Rights and powers of debtor**

Subject to such limitations as the court may prescribe, a debtor in possession shall have all the rights, other than the right to compensation under section 330, and powers, and shall perform all the functions and duties, except the duties specified in paragraphs (3) and (4) of section 1106(a), of a trustee serving in a case under chapter 11, including operating the debtor’s farm or commercial fishing operation.

(Added and amended Pub. L. 99-554, title II, §255, title III, §302(f), Oct. 27, 1986, 100 Stat. 3107, 3124; Pub. L. 103-65, §1, Aug. 6, 1993, 107 Stat. 311; Pub. L. 105-277, div. C, title I, §149(a), Oct. 21, 1998, 112 Stat. 2681-610; Pub. L. 106-5, §1(1), (2), Mar. 30, 1999, 113 Stat. 9; Pub. L. 106-70, §1, Oct. 9, 1999, 113 Stat. 1031; Pub. L. 107-8, §1, May 11, 2001, 115 Stat. 10; Pub. L. 107-17, §1, June 26, 2001, 115 Stat. 151; Pub. L. 107-170, §1, May 7, 2002, 116 Stat. 133; Pub. L. 107-171, title X, §10814(a), May 13, 2002, 116 Stat. 532; Pub. L. 107-377, §2(a), Dec. 19, 2002, 116 Stat. 3115; Pub. L. 108-73, §2(a), Aug. 15, 2003, 117 Stat. 891; Pub. L. 108-369, §2(a), Oct. 25, 2004, 118 Stat. 1749; Pub. L. 109-8, title X, §§1001(a)(1), (c), 1007(c)(2), Apr. 20, 2005, 119 Stat. 185, 186, 188.)

**Editorial Notes**

**CODIFICATION**

For repeal of section effective Oct. 1, 1998, and subsequent reenactment of section, see note set out preceding section 1201 of this title.

**AMENDMENTS**

2005—Pub. L. 109-8, §1007(c)(2), inserted “or commercial fishing operation” after “farm”.

**Statutory Notes and Related Subsidiaries**

**EFFECTIVE DATE OF 2005 AMENDMENT**

Amendment by section 1007(c)(2) of Pub. L. 109-8 effective 180 days after Apr. 20, 2005, and not applicable with respect to cases commenced under this title before such effective date, except as otherwise provided, see section 1501 of Pub. L. 109-8, set out as a note under section 101 of this title.

**EFFECTIVE DATES**

Permanent reenactment of section effective July 1, 2005, see section 1001(a)(2) of Pub. L. 109-8, set out as a Repeal, Reenactment, and Termination of Chapter note under section 1201 of this title. For effective dates of section and amendments extending periods for which section was reenacted prior to permanent reenactment, see Effective Date and Effective Date of 1999, 2001, 2002, 2003, and 2004 Amendment notes set out under section 1201 of this title.

**§ 1204. Removal of debtor as debtor in possession**

(a) On request of a party in interest, and after notice and a hearing, the court shall order that the debtor shall not be a debtor in possession for cause, including fraud, dishonesty, incompetence, or gross mismanagement of the affairs of the debtor, either before or after the commencement of the case.

(b) On request of a party in interest, and after notice and a hearing, the court may reinstate the debtor in possession.