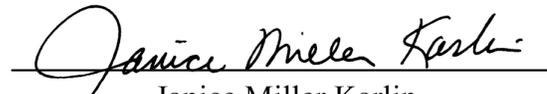




**SO ORDERED.**

**SIGNED this 2nd day of April, 2012.**

  
Janice Miller Karlin  
United States Bankruptcy Judge

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**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF KANSAS**

**In re:**

**Challenges to the Constitutionality of the Earned Income Credit Exemption  
Filed After March 15, 2012**

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**General Order Governing Challenges to the Constitutionality of the  
Earned Income Credit Exemption Filed After March 15, 2012**

This Order governs any case assigned to the above-signed Judge wherein the Trustee files an Objection to Exemption, raising the constitutionality of the Earned Income Tax Credit (“EIC”) exemption passed as Senate Bill No. 12 by the Kansas Legislature. The Court previously entered an Intervening Case Management Order (“Case Management Order”) and a First Supplement to that order to govern all proceedings in EIC cases.<sup>1</sup> Because the due dates for items in those orders have passed,

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<sup>1</sup> These Orders are available on the Court’s website, [www.ksb.uscourts.gov](http://www.ksb.uscourts.gov), under the link “Judge Karlin Earned Income Credit Exemption Cases.” Any provisions of the Case Management Order and First Supplement not specifically changed herein govern the proceedings in the cases covered by this Order.

the Court now enters this Order directing the parties and Clerk as follows.

**A. Notices of Constitutional Challenge and Intervention by the State of Kansas.**

When the Trustee files an objection to exemption of the EIC, the Trustee shall notify the Kansas Attorney General of the same, pursuant to Federal Rules. The Debtor(s) may respond to such objections. If a response is filed, the Clerk is directed not to set the matter to the motions docket. All such hearings are deferred pending the Court's decision in the constitutional challenges that are pending in the cases governed by the Case Management Order and First Supplement.

The Court recognizes that the State of Kansas is entitled to intervene in all such cases, and that the Court is obliged to certify to the State the pleadings challenging the constitutionality of its enactments. In an effort to reduce the burden that the obligation of filing successive repetitive pleadings imposes on both the Attorney General and the Court's staff, by this Order the Court generally CERTIFIES to the Attorney General of the State of Kansas that the constitutionality of this statute has been questioned as required by Federal Rules. The Attorney General will be deemed to have intervened in all such matters and is excused from formal intervention under F. R. Bankr. P. 9005.1(c) in all cases governed by this Order. The Clerk is directed to enter the Attorney General's appearance as an intervenor in each case where the Trustee files an objection to exemption of the EIC.

**B. Debtors' 2011 Tax Returns and Refunds.**

Any Debtor covered by this Order who receives a tax refund shall preserve the portion of that refund related to the earned income credit as provided in the Case Management Order. As stated in the Case Management Order, in no event shall the

Debtor(s) spend, transfer, or distribute the estate's claimed share of the refund during the pendency of these proceedings.

**C. Notices to Court Required.**

Any Debtor covered by the Order shall file a Notice once the Debtor has filed his or her federal and state tax returns. This Notice shall include: (1) the total federal refund anticipated and the total federal EIC; and (2) the total state refund anticipated and the total state EIC. Once the Debtor receives his or her refunds, they shall file a Supplemental Notice stating the date the federal and state refunds were received, the amount(s) received, and the location of those refunds. Both Notices shall be served on the Trustee and Attorney General.

If a Debtor concludes he or she is not eligible for the EIC or will receive no refund, the Debtor shall amend Schedule C in his or her individual bankruptcy case. The Trustee shall thereafter withdraw as moot his or her objection to the previously claimed EIC exemption.

**D. Miscellaneous Orders.**

The Clerk shall docket a copy of this Order in any case in which the Trustee files an EIC exemption objection that challenges the constitutionality of Senate Bill No. 12.

Anyone seeking relief from the provisions of this Order shall file a motion for same, to be noticed to the miscellaneous chapter 7 docket of this Court.

The Clerk shall post this order on the Court's website and in the Clerk's Office in Topeka.

**IT IS SO ORDERED.**

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