The relief described hereinbelow is SO ORDERED.

SIGNED this 17th day of June, 2026.

Robert D. Berger
United States Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF KANSAS

In re:

MICHELLE LEIGH SCHEPPERS,

Debtor.

Case No. 24-20570
Chapter 13

ORDER DENYING CHAPTER 13 TRUSTEE'S MOTION TO MODIFY PLAN

This matter is before the Court on the Chapter 13 trustee's motion to modify debtor Michelle Scheppers's confirmed plan pursuant to 11 U.S.C. § 1329.[1] The Trustee argues that Scheppers's plan payments should be increased by $2,000.00 per month, from $2,464.27 to $4,464.27:

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[1] ECF 39.

1. At the time of confirmation, Debtor asserted a Lanning[2] deviation totaling $1,921.92 per month, claiming an anticipated reduction in future income.

2. That income reduction has not come to fruition. In fact, the Amended Schedule I filed November 7, 2025, reveals that the Debtor's household income has increased slightly.

3. The Trustee therefore requests the Court enter an order increasing plan payments from $2,464.27 per month to $4,464.27 per month (a $2,000 per month increase) beginning in March of 2026.[3]

At the February 17, 2026 hearing on the Trustee's motion, the Court stated that the motion would be set for a one-hour evidentiary hearing.[4] However, upon further reflection, the Court will simply deny the motion.

Scheppers filed her Chapter 13 petition on May 13, 2024.[5] In the Official Form 122C-2 (Calculation of Your Disposable Income) filed along with her petition, she calculated her projected disposable income under 11 U.S.C. § 1325(b) as $205.35 per month.[6] That amount did *not* include any *Lanning* adjustments. She proposed a 5-year plan with monthly payments of $2,402.27, including a total projected disposable income of $12,321.00 (i.e., $205.35 times 60).[7]

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[2] In *Hamilton v. Lanning*, 560 U.S. 505 (2010), the Supreme Court held that when calculating a Chapter 13 debtor's projected disposable income under 11 U.S.C. § 1325(b), the court may account for changes in the debtor's income or expenses that are known or virtually certain at the time of confirmation.

[3] ECF 39.

[4] *See* ECF 48.

[5] ECF 1.

[6] ECF 1 at 82.

[7] ECF 2.

On July 3, 2024, Scheppers filed an amended Form 122C-2.[8] On lines 8 and 9, she revised her deductions for housing and utilities, increasing her insurance and operating expenses from $886.00 to $935.00 and decreasing her net mortgage or rent expense from $550.02 to $144.02.[9] On line 19, she decreased her court-ordered payments from $340.57 to zero.[10] Finally, on line 43, she made two *Lanning* adjustments for pre-petition bonuses, subtracting $598.48 for her own bonus because she "changed positions" and subtracting $1,323.44 for a bonus received by her non-filing spouse because "bonus not guaranteed."[11] Combined, these changes decreased her projected monthly disposable income under § 1325(b) from $205.35 to −$1,019.00.[12]

Scheppers's Chapter 13 plan—which provided for monthly payments of $2,402.27 for five years, including total projected disposable income of $12,321.00—

[8] ECF 18.

[9] *Compare* ECF 1 at 77 *with* ECF 18 at 6.

[10] *Compare* ECF 1 at 79 *with* ECF 18 at 8.

[11] *See* ECF 18 at 11, 13; *cf.* 11 U.S.C. § 101(10A) (defining "current monthly income" as "average monthly income from all sources that the debtor receives . . . during the six-month period ending on . . . the last day of the calendar month immediately preceding the date of the commencement of the case . . . includ[ing] any amount paid by any entity other than the debtor for the household expenses of the debtor or the debtor's dependents").

[12] *Compare* ECF 1 at 82 *with* ECF 18 at 11.

was confirmed on July 16, 2024.[13] In April 2025, due to an increase in her mortgage escrow payment, Scheppers's plan payment increased to $2,464.27.[14]

The Trustee now argues that Scheppers's plan payment should be increased to $4,464.27—an additional $2,000.00 per month—because her *Lanning* adjustments "[have] not come to fruition."[15] To support this argument, the Trustee points to Scheppers's Schedule I. In her original Schedule I, Scheppers listed monthly gross wages of $5,288.60 for herself and $7,115.64 for her non-filing spouse[16]—a combined total of $12,404.24. In the amended version, she listed monthly gross wages of $7,083.33 for herself and $7,378.93 for her non-filing spouse,[17] increasing the combined total to $14,462.26. According to the Trustee, "the facts asserted by the Debtor in support of the Lanning deviation ***never happened***."[18]

The Trustee's argument suffers from a number of flaws, some fatal to the motion. **First**, a collateral attack on *Lanning* adjustments is prohibited by 11 U.S.C. § 1327(a), under which "[t]he provisions of a confirmed plan bind the debtor and each creditor." *Cf. In re McDaniel*, 973 F.3d 1083, 1089 (10th Cir. 2020)

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[13] *See* ECF 20, 21. The confirmation order modified the plan to provide that that a Chapter 7 liquidation value of $873.28 would be paid to unsecured creditors. ECF 21 at 3.

[14] ECF 30; Claim No. 25-1.

[15] ECF 39 at 1.

[16] ECF 1 at 51.

[17] ECF 44 at 1.

[18] ECF 45 at 1.

("Because a bankruptcy court's 'order confirming a chapter 13 plan represents a binding determination of the rights and liabilities of the parties,' a confirmed plan, once final, 'is *res judicata* and its terms are not subject to collateral attack.'") (quoting *United States v. Richman (In re Talbot)*, 124 F.3d 1201, 1209 (10th Cir. 1997)).

Second, even if § 1327(a) did permit a court to revisit *Lanning* adjustments, such adjustments are made pursuant to 11 U.S.C. § 1325(b), which—according to the majority view—does not apply to plan modifications under § 1329. *See, e.g.*, *In re Porter*, 670 B.R. 843, 849 (Bankr. E.D. Mich. 2025) (listing cases).

Third, even if § 1325(b) did apply to plan modifications, an above-median-debtor's disposable income under § 1325(b) is not calculated on her Schedules I and J; rather, it is calculated on Form 122C-2, after which her Schedules I and J determine whether it is *feasible* for her to pay that amount. *See In re Puetz*, 370 B.R. 386, 389 (Bankr. D. Kan. 2007).

Fourth, omitting the *Lanning* adjustments—which totaled $1,921.92—from the calculation of Scheppers's monthly disposable income on Form 122C-2 would not require her plan payments to increase by the full $1,921.92 amount. Without those adjustments, she would have calculated her disposable income as −$1,019.00 plus $1,921.92, or $902.92.[19] Thus, even if § 1325(b) applies, omitting the *Lanning* adjustments would require Scheppers's plan payments to increase (at most) by $902.92.

[19] *See* ECF 18 at 11.

Fifth, omitting the $1,921.92 in *Lanning* adjustments would not require Scheppers's plan payments to increase by $902.92 either, because $675.61 of the $1,921.92 must be deducted for taxes[20] (and is thus not included in disposable income). Thus, even if § 1325(b) applies, omitting the *Lanning* adjustments would require Scheppers's plan payments to increase (at most) by $902.92 minus $675.61, or $227.31.

Finally, Scheppers's confirmed Chapter 13 plan *already includes* total projected disposable income of $12,321.00[21]—i.e., $205.35 per month. Thus, even if § 1325(b) applies, omitting the *Lanning* adjustments would only require Scheppers's plan payments to increase by $227.31 minus $205.35—i.e., just $21.96 per month.

For all of the foregoing reasons, the Trustee's motion to modify Scheppers's Chapter 13 plan under 11 U.S.C. § 1329 to increase her monthly plan payments by $2,000.00 is hereby denied.

IT IS SO ORDERED.

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[20] *See* ECF 18 at 13-14 (listing deductions of $207.38 and $468.23).

[21] *See* ECF 2 at 1.