

UNITED STATES BANKRUPTCY COURT  
MIDDLE DISTRICT OF GEORGIA  
MACON DIVISION

IN RE: ) CHAPTER 13  
 ) CASE NO. 06-50556-JDW  
MARQUEZ D. WILLIAMS, )  
 )  
DEBTOR. )

BEFORE

JAMES D. WALKER, JR.

UNITED STATES BANKRUPTCY JUDGE

COUNSEL

For Debtor:

Jason M. Orenstein  
Post Office Box 4086  
Macon, Georgia 31208

For CitiFinancial Auto Corp.: Lisa Ritchie Craig  
1275 Peachtree Street N.E., Suite 430  
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## **MEMORANDUM OPINION**

This matter comes before the Court on the objection of CitiFinancial Auto Corporation to confirmation of Debtor's Chapter 13 plan. This is a core matter within the meaning of 28 U.S.C. § 157(b)(2)(L). After considering the pleadings, the evidence, and the applicable authorities, the Court enters the following findings of fact and conclusions of law in conformance with Federal Rule of Bankruptcy Procedure 7052.

### **Findings of Fact**

Debtor Marquez Williams filed a Chapter 13 petition on April 4, 2006. On the petition date, Debtor owed CitiFinancial Auto Corporation \$15,700 for a 2000 Ford Mustang valued at \$11,000. The contract rate for the purchase of the vehicle was 23%. In Debtor's Chapter 13 plan, Debtor proposed to pay CitiFinancial the full amount of its claim with no interest. CitiFinancial objected to confirmation of the plan, arguing that it was entitled to the full amount of the claim plus interest. The parties stipulate that the amount of the claim is greater than the fair market value of the car plus interest calculated at the prime rate plus a risk factor. The parties further stipulate that CitiFinancial holds a purchase money security interest in the car and that the car was purchased within 910 days prior to the bankruptcy filing. The Court held a hearing on July 18, 2006, and for the following reasons overrules the objection.

### **Conclusions of Law**

At issue in this case is whether the hanging paragraph at the end of 11 U.S.C. § 1325(a) requires a debtor to pay interest to a creditor whose collateral is a motor vehicle purchased by the debtor for personal use within 910 days prior to filing a bankruptcy petition. For the reasons

provided in In re Carver, 338 B.R. 521, 526 (Bankr. S.D. Ga. 2006) (Walker, J.), and In re Green, No. 06-50410-JDW (Bankr. M.D. Ga. Aug. 30, 2006) (Walker, J.) (slip op.), the Court holds as follows: Pursuant to a Chapter 13 plan, a creditor who holds a claim described in the hanging paragraph to § 1325(a) must receive the greater of (1) the full amount of the claim without interest; or (2) the amount the creditor would receive if the claim were bifurcated and crammed down with interest calculated in accordance with Till v. SCS Credit Corp., 541 U.S. 465, 124 S. Ct. 1951 (2004), paid on the value of the collateral.

In this case, the parties have stipulated that payment of the claim in full without interest will provide a greater distribution to CitiFinancial than a cram down. Because the plan proposes to pay the claim in full, CitiFinancial's objection to confirmation is overruled.

An Order in accordance with this Opinion will be entered on this date.

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