

## DISCLOSURE OF COMPENSATION OF BANKRUPTCY PETITION PREPARER

### Applicable Law and Rules

1. Section 110(h)(1) of the Bankruptcy Code (title 11 of the United States Code) provides:

Within 10 days after the date of the filing of a petition, a bankruptcy petition preparer shall file a declaration under penalty of perjury of the debtor any fee received from or on behalf of the debtor within 12 months immediately prior to the filing of the case, and any unpaid fee charged to the debtor.
2. Section 110(a)(1) defines a bankruptcy petition preparer as “a person, other than an attorney or an employee of an attorney, who prepares for compensation a document for filing.”
3. Section 110(b) of the Code provides:
  - (1) A bankruptcy petition preparer who prepares a document for filing shall sign the document and print on the document the preparer’s name and address.
  - (2) A bankruptcy petition preparer who fails to comply with paragraph (1) may be fined not more than \$500 for each such failure unless the failure is due to reasonable cause.
4. Section 110(c) of the Code provides:
  - (1) A bankruptcy petition preparer who prepares a document for filing shall place on the document, after the preparer’s signature, an identifying number that identifies individuals who prepared the document.
  - (2) For purposes of this section, the identifying number of a bankruptcy petition preparer shall be the Social Security account number of each individual who prepared the document or assisted in its preparation.
  - (3) A bankruptcy petition preparer who fails to comply with paragraph (1) may be fined not more than \$500 for each such failure unless the failure is due to reasonable cause.
5. Unlike Fed. R. Bankr. P. 2016(b), which provides that the Disclosure of Compensation of Attorney for Debtor is to be filed and transmitted to the United States trustee within 15 days after the order for relief, section 110(h) requires that the Disclosure of Compensation of Bankruptcy Petition Preparer be filed “within 10 days after the date of the filing of a petition.” Furthermore, unlike Rule 2016(b), section 110(h) does not give the court authority to extend the time for filing the disclosure.

6. The purpose of the reporting requirement for bankruptcy petition preparers is to permit the court to determine whether the compensation exceeds the reasonable value of the services rendered. Section 110(h)(2) states:

The court shall disallow and order the immediate turnover to the bankruptcy trustee of any fee referred to in paragraph (1) found to be in excess of the value of services rendered for the documents prepared. An individual debtor may exempt any funds so recovered under section 522(b).

### **Instructions**

#### **Caption**

1. Identify the Judicial District in which the bankruptcy case was filed. Example: "Eastern District of California."
2. "In re": Insert the name of the debtor as it appears in the bankruptcy petition.
3. "Case No.": Insert the bankruptcy case number assigned by the court at the time of filing.

The instructions to the rest of the form are self-evident. Special care should be taken to complete questions 2, 3, and 4 in detail, specifying documents prepared, services provided, and the source of compensation paid or to be paid. Additional sheets should be attached to the form as needed.

#### **General Information for the Clerk**

Form B 280 was issued after the Bankruptcy Reform Act of 1994 added section 110 to the Bankruptcy Code. It is not necessary for a bankruptcy petition preparer to submit a copy of Form B 19, Certification and Signature of Non-Attorney Bankruptcy Petition Preparer, along with this form.