

**Daryl J. Smith**  
**Chapter 13 Trustee**  
**Application to Incur Guidelines**

**I. Procedure**

- Application is accepted on approved forms only.
- Application with supporting documentation to be submitted to Trustee by email to [jmckinnon@shrevech13.com](mailto:jmckinnon@shrevech13.com) or by uploading application to 13documents website maintained by Trustee (login from Trustee required).
- If Application is approved, within 30 days file amended Schedules I and J and 60 days of recent pay advice (reflecting the proposed car payment or loan payment) on PACER.
- If Application is approved, the approval is valid for 45 days from the date of the Notice of Approval. If debt is not incurred within the 45 days of the notice, submission of a new Application to Incur will be required as well as completion of the “Unknown Declaration Pursuant to 28 U.S.C. § 1746”, no debt has been incurred to purchase vehicle.

**II. Trustee Review Criteria**

- Vehicle Interest Rate: not to exceed 18% (new) or 24% (used).
- No GAP insurance contract or charges.
- No extended service contract/extended warranty contract.
- Vehicle must be reasonable and necessary.
- Vehicle payment must not exceed \$575.00 a month.
- Vehicle loan term: not to exceed 72 months (new) or 60 months (used).
- The Debtor(s) plan payments must be current.
- If down payment contemplated/required, application must disclose source of down payment and amount.
- If Student Loan request, application must state the degree or certification sought, the length of time to complete the degree, and the benefit to the debtor of obtaining the degree.
- If Student Loan request, application must contain all loan documentation.

**III. Limits to Trustee review:**

If Application includes the following relief, Trustee is unable to approve these requests and a denial of the request will be entered to allow the debtor to file a Motion to obtain the requested relief:

- Substitution of Collateral.
- Surrender of Collateral.
- Sale and/or Trade-in of old vehicle.
- Use or authorization of insurance proceeds for purchase of vehicle.
- Ratification of sale already completed.
- Loan application for new home purchase.