Bankruptcy Local Rule 2002-6

PAYMENT OF CHAPTER 7 ADMINISTRATIVE EXPENSES

A chapter 7 trustee may pay the actual, necessary costs and expenses of preserving the estate without obtaining a court order in advance if:

1. the amount paid to any one entity or person does not exceed $1,000;

2. the notice provided to creditors and parties in interest of the need to file a proof of claim advises parties they may file an objection and request for a hearing on this procedure within 14 days from the date of the notice; and

3. the trustee obtains court approval before or at the time of the court's determination on the trustee's final application for compensation and reimbursement for expenses submitted with the trustee's final report.

Related Authority:
11 U.S.C. §§ 102(1) and 503
Fed. R. Bankr. P. 2002
LBR 2002-2

Advisory Committee Notes:

In the interest of minimizing delay and additional administrative expenses to the bankruptcy estate, LBR 2002-6 was added to address the extent of the “notice and a hearing” requirement set forth in 11 U.S.C. § 503(b) when the trustee seeks payment of modest administrative expenses from estate funds.