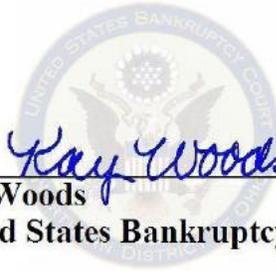


IT IS SO ORDERED.

Dated: October 21, 2011  
12:16:53 PM



*Kay Woods*  
 Kay Woods  
 United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF OHIO

IN RE:	*	
	*	
	*	CASE NUMBER 09-43857
	*	
SHEILA LOUISE HOFFMAN,	*	CHAPTER 7
	*	
Debtor.	*	HONORABLE KAY WOODS
	*	

\*\*\*\*\*  
 ORDER DENYING MOTION TO REOPEN CASE  
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This cause is before the Court on Motion to Reopen Case (Doc. # 30) filed by Debtor Sheila Louise Hoffman on August 23, 2011. No party filed an objection or other responsive pleading to the Motion to Reopen Case. For the reasons set forth herein, the Court denies the Motion to Reopen Case.

By way of background, the Debtor filed a voluntary petition pursuant to chapter 7 of the Bankruptcy Code on October 10, 2009. On February 9, 2010, the Court entered Discharge of Debtor in a Chapter 7 Case (Doc. # 21). On April 7, 2010, Richard G. Zellers, Chapter 7 Trustee, entered Chapter 7 Trustee's Report of No

Distribution, which stated, "[T]here is no property available for distribution from the estate over and above that exempted by law." (Doc. # 26.) The Debtor's case was closed on April 16, 2010, when the Court issued Final Decree (Doc. # 29).

In the Motion to Reopen Case, the Debtor requests the Court to reopen her bankruptcy case so that she may file Complaint Under 11 U.S.C. § 505(a)(1) for Determination of Tax Liability ("Complaint"), a copy of which is attached to the Motion to Reopen Case. In the Complaint, the Debtor states that the Internal Revenue Service informed her, by letter dated August 5, 2011, that she has pre-petition tax liability for tax years 2004 and 2006, which includes interest and penalties. "The Debtor denies that these taxes, interest, and penalties are due and asserts that the Internal Revenue Service has miscalculated taxes due for those tax periods." (Compl. ¶ 8.) If the Court were to grant the Motion to Reopen Case, the Debtor would ask the Court to determine her tax liability for tax years 2004 and 2006, pursuant to 11 U.S.C. § 505(a)(1).

Section 505(a)(1), which provides bankruptcy courts with jurisdiction to determine tax liabilities, states,

(a)(1) Except as provided in paragraph (2) of this subsection, the court may determine the amount or legality of any tax, any fine or penalty relating to a tax, or any addition to tax, whether or not previously assessed, whether or not paid, and whether or not contested before and adjudicated by a judicial or administrative tribunal of competent jurisdiction.

11 U.S.C. § 505(a)(1) (West 2010) (emphasis added). "[W]hile broad in scope, a bankruptcy court's exercise of jurisdiction under § 505

is permissive, not mandatory." *Kohl v. IRS (In re Kohl)*, 397 B.R. 840, 845 (Bankr. N.D. Ohio 2008).

As stated above, the Debtor's bankruptcy proceeding was a no-asset chapter 7 case in which the Debtor received a discharge. Thus, a determination of the Debtor's tax liability would not affect the administration of the bankruptcy estate or the distribution to unsecured creditors. See *Williams v. IRS (In re Williams)*, 190 B.R. 225, 227 (Bankr. W.D. Pa. 1995) (finding that resolution of a § 505(a)(1) proceeding in a no-asset chapter 7 case would "not further any bankruptcy interest," because no assets would be made available for distribution to creditors, including the Internal Revenue Service, as a result thereof); see also *Kohl*, 397 B.R. at 845-46 (citing *Williams*, 190 B.R. at 228) ("§ 505(a)(1) does not function as an alternative forum for tax litigation when such litigation would have no impact upon the administration of bankruptcy case [sic].").

Granting the Motion to Reopen Case in order to determine the Debtor's tax liability would serve no bankruptcy purpose. As a consequence, the Court hereby denies the Motion to Reopen Case. Denial of the Motion to Reopen Case does not preclude the Debtor from seeking a determination of tax liability in another venue.

**IT IS SO ORDERED.**

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