

**CHAPTER 13 QUARTERLY NEWSLETTER  
MARCH 2025****1. NEW VOLUNTEER LIST**

Several years ago, the Chapter 13 office compiled a volunteer list. The list consisted of attorneys who were willing to meet with the debtor(s) who filed their case pro se but soon find themselves in need of counsel. At the present time the list needs to be revised and updated.

The Trustee is not permitted to recommend any particular counsel to debtor(s). However, the Trustee is permitted to provide a list of counsel to help the debtor(s) find legal representation.

If attorneys wish to be placed on the list, the attorney must agree to one (1) free consultation with the debtor(s). After that consultation, whether the debtor(s) seek to retain the attorney and the attorney accepts the debtor(s) as a client is strictly a matter between the parties.

If attorneys wish to have their name placed on the list, please send an email to [krucinski@ch13akron.com](mailto:krucinski@ch13akron.com).

In the past, having a volunteer list helped debtor(s) who may have filed their case pro se, but soon find themselves in need of legal counsel to get their plan on track.

**2. ANNUAL TAX RETURN REQUEST**

At this time, the Akron Trusteeship has sent notices to debtor(s) in all open cases requesting a copy of the debtor(s) 2024 tax returns be supplied to the Trustee for review.

The Trustee has requested all tax returns for all debtor(s) including additional returns if the debtor(s) are required to file a separate business returns due to self-employment.

Debtor(s) counsel have been copied by email to provide notice to those counsel that the Trustee has sent these requests.

The Trustee appreciates the assistance of counsel to make sure their clients submit their annual tax returns in a timely manner.

Please note that there are a few cases in which the debtor(s) did not supply their 2023 tax return. The Trustee has filed motions to dismiss in these cases. Some of those dismissal motions have already been granted and in other cases, counsel are working with their clients to obtain a copy of the requested return. The Trustee would prefer not to file motions to dismiss on any cases for tax returns and asks that counsel continue to work with their clients to help them understand this important requirement while they are in a Chapter 13 plan.

### **3. CHANGE IN DEBT LIMIT**

Please note that as of April 1, 2025, the new debt limits for Chapter 13 plans will be:

Secured:	\$1,580,125
Unsecured:	\$ 526,700

### **4. CHANGE IN EXEMPTIONS**

Effective April 1, 2025, the Ohio exemptions will be changing. As of the date of this newsletter, those exemptions have not been published. The updated exemptions will appear in future newsletter.

The Trustee encourages counsel to work with their computer providers to make sure that the most current exemptions have been updated in their software.

### **5. OBJECTION TO CONFIRMATION IF SECURED CREDITORS HAVE NOT FILED A CLAIM**

Going forward, the Trustee will be filing objections to confirmation on cases where a secured creditor listed in section 3 of the plan has not filed a claim.

It will be necessary for counsel to respond to these objections to confirmation and take appropriate action regarding the Chapter 13 plan on behalf of their clients. Those actions may include:

- a. Filing a claim on behalf of the creditor.
- b. Filing an amended plan to remove the creditor (with notice to the creditor)
- c. Other action counsel deems appropriate.

Pursuant to Rule 3004 the debtor(s) can file a claim for a non-filing creditor within thirty (30) days of the claims bar date. Permission from the Court is not required in the thirty (30) day time period. After the thirty (30) days, counsel will need to file a motion for permission to file a claim for the non-filing creditor.

The Trustee encourages counsel to review their client's case at the claims bar date to ensure that all secured creditors have filed claims or if further action needs taken on behalf of the debtor(s) to make sure the secured creditor is paid. Often these secured creditors are creditors who have a mortgage on the debtor(s) property or hold the lien on the debtor(s) automobile. Therefore, it is imperative that non-filing claims be addressed prior to confirmation.

## **6. PERSONAL FINANCIAL MANAGEMENT COURSE**

The Chapter 13 office will continue to sponsor an on-line Personal Financial Management Course through the Trustee Education Network. Information regarding the online program is available on the Chapter 13 website at [www.chapter13info.com](http://www.chapter13info.com). There is no charge to take the course online for Chapter 13 Debtor(s) who have filed in Akron, Ohio.

Please note: in a joint case, each Debtor must take the on-line course separately and use two different e-mails. The software program generates the required certificates of completion partly based on e-mails to keep track of who has taken the required course.

Please find attached to this newsletter a flyer for the on-line course that counsel may share with their clients in Chapter 13 cases.

## **7. WHITE WILLIAMS SEMINAR-APRIL 4, 2025**

The 29<sup>th</sup> annual White-Williams Seminar will be held at the Hartville Kitchen, Friday April 4, 2025. Counsel may register for the seminar through the Akron and Stark County Bar Associations.

## **8. CASE LAW**

Gold v. Williams (In re Williams), 24-1162 (6th Cir. Feb. 7, 2025).

The debtor, Edward Williams filed a chapter 7 petition in the bankruptcy court in the Eastern District of Michigan and did not schedule his home as being among his assets. He contended that his deceased wife had owned the home and that she had transferred the home to their three adult children before her death.

The chapter 7 trustee, Stuart Gold commenced an adversary proceeding where he argued that the home was property of the bankruptcy estate because ownership transferred to the debtor from the deceased wife through the state's intestacy laws. The trustee obtained a default judgment, bringing the home into the bankruptcy estate. The debtor's children filed pleadings in the bankruptcy court to set aside the default judgment and argued that their mother had deeded the property to them.

Bankruptcy Judge Thomas J. Tucker of Detroit held that the deed was fraudulent and that the bankruptcy estate owned the property. He rejected the children's contention that the probate exception to federal jurisdiction precluded the bankruptcy court from deciding the question of ownership.

The children appealed the bankruptcy court's order upholding the default judgment to the U.S. District Court and won their appeal. The district court held that the probate

exception applied, giving the bankruptcy court no subject matter jurisdiction because the bankruptcy court was making decisions based on Michigan's trusts and estates law.

Trustee Gold appealed to the Sixth Circuit Court of Appeals.

The Sixth Circuit three judge panel quoted the Supreme Court for saying:

The probate exception to federal jurisdiction “reserves to state probate courts the probate or annulment of a will and the administration of a decedent’s estate; it also precludes federal courts from endeavoring to dispose of property that is in the custody of a state probate court.

Marshall v. Marshall, 547 U.S. 293, 311-12 (2006).

Citing the circuit’s own authority, the panel held that the probate exception is “of distinctly limited scope” and applies in three circumstances: (1) when the federal court is asked to probate a will; (2) when the federal court is asked to annul a will; and (3) when the federal court is asked to assert jurisdiction over property in custody of the state probate court.

The panel said “none of those circumstances” were present in the case on appeal.

The panel again quoted the circuit’s authority for the proposition that the probate exception does not divest a federal court of jurisdiction unless the probate court is already exercising *in rem* jurisdiction over the subject property. The panel said, Judge Tucker in the bankruptcy court correctly held that the state probate court did not have “custody over the property.” The panel also said the exception would not apply if, as the children argued, the mother had transferred the property to them before her death.

The district court believed that the exception applied because the outcome turned on the state intestacy statute, but that was also the case in Marshall before the Supreme Court. The panel quoted the Supreme Court for saying that states cannot give their probate courts exclusive jurisdiction for claims of this type. Id. at 314.

The appeals court vacated the district court’s opinion and remanded for the district court to consider other matters that the district court had not reached on the appeal.

# Personal Financial Management Course

# **THIS COURSE IS REQUIRED TO EARN YOUR DISCHARGE !**

## **Online Chapter 13 Bankruptcy Course Finally Financial Freedom!**

**\*\* The Trustees' Education Network (TEN) – an affiliate of the National Association of Chapter 13 Trustees – has created an online financial management course for the benefit and financial education of Chapter 13 debtors. This course is approved by the United States Trustee Program. \*\***

# **THIS COURSE IS FREE!**

***\*\*THIS COURSE IS ABLE TO BE COMPLETED PRIOR TO YOUR 341 HEARING WITH THE TRUSTEE\*\****

**SIGN UP ONLINE AT [WWW.13CLASS.COM](http://WWW.13CLASS.COM)**

### **WHAT YOU WILL NEED TO SIGN UP**

- Unique Trustee Identifier Number
  - **TEN13010**
- Bankruptcy Case Number
- Your full Name “exactly” as shown on bankruptcy petition
- A valid email address (each debtor will need a separate email address)
- Your bankruptcy Schedules A/B, D, and E/F for Lesson 1 and Schedules I and J for Lesson 3.



You must complete the entire course (all lessons and quizzes) to receive a Certificate of Completion from the Trustees' Education Network. Once you complete all coursework, the Trustees' Education Network will send a Certificate of Completion to you and to your Bankruptcy Court.

***\*\*Course satisfies legal requirements for debtors' Certificate of Completion and to gain a discharge of their bankruptcy case.***

***\*Other course providers may charge you a fee for this course.***

Gold v. Williams (In re Williams), 24-1162  
(6th Cir. Feb. 7, 2025)

# *Gold v. Williams (In re Williams)*

United States Court of Appeals for the Sixth Circuit

February 7, 2025, Filed

No. 24-1162

## Reporter

2025 U.S. App. LEXIS 2934 \*; 2025 WL 454925

In re: EDWARD STEPHONE WILLIAMS, Debtor. STUART A. GOLD, Trustee, Plaintiff-Appellant, v. CAMILE VANICE WILLIAMS, et al., Defendants-Appellees.

**Notice:** CONSULT 6TH CIR. R. 32.1 FOR CITATION OF UNPUBLISHED OPINIONS AND DECISIONS.

**Prior History:** [\*1] ON APPEAL FROM THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF MICHIGAN.

[\*Williams v. Gold \(In re Williams\)\*, 657 B.R. 93, 2024 U.S. Dist. LEXIS 28700 \(E.D. Mich., Feb. 20, 2024\)](#)

## Case Summary

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### Overview

#### Key Legal Holdings

- The probate exception to federal jurisdiction is narrowly limited to three circumstances: (1) if the plaintiff seeks to probate a will, (2) if the plaintiff seeks to annul a will, and (3) if the plaintiff seeks to reach property over which a state court had custody.
- The probate exception does not divest a federal court of subject-matter jurisdiction unless a probate court is already exercising in rem jurisdiction over the property at the time the plaintiff files her complaint in federal court.
- Property that a party removes from a decedent's estate prior to death is not part of the res that is distributed by the probate court and thus not subject to the probate exception.
- The district court erred in holding that the probate exception applied and that the bankruptcy court lacked subject-matter jurisdiction because no probate court had custody over the property, and the exception does not apply when property is removed from the decedent's estate before death, as the

children claimed.

#### Material Facts

- The debtor, Edward Williams, did not list his home as property in his Chapter 7 bankruptcy, claiming it was owned by his three adult children.
- The trustee filed an adversary action against the children, seeking a judgment that the home was part of the bankruptcy estate as it had passed to Williams by intestate succession upon the death of his spouse, the sole owner.
- The children claimed their mother had transferred the property to them by an unrecorded quitclaim deed before her death.
- The bankruptcy court found the children's deed was fake and that the bankruptcy estate was the sole owner of the property.

#### Controlling Law

- The probate exception to federal jurisdiction ([\*Marshall v. Marshall\*, 547 U.S. 293](#)).
- Relevant Michigan intestacy statutes.

#### Court Rationale

The district court erred in holding that the probate exception applied and that the bankruptcy court lacked subject-matter jurisdiction because no probate court had custody over the property, and the exception does not apply when property is removed from the decedent's estate before death, as the children claimed. While the trustee's adversary action involved interpreting state intestacy laws, federal courts have jurisdiction over such claims and are not precluded by a state's probate courts having exclusive competence over such matters.

#### Outcome

#### Procedural Outcome



The court vacated the district court's order reversing the bankruptcy court's decision and remanded the case to the district court for further proceedings consistent with its opinion.

**Counsel:** For STUART A. GOLD, Trustee, Plaintiff - Appellant: Elias T. Majoros, Gold, Lange & Majoros, Southfield, MI.

CAMILE VANICE WILLIAMS, Defendant - Appellee, Pro se, Detroit, MI.

GREGORY STEPHONE WILLIAMS, Defendant - Appellee, Pro se, Detroit, MI.

CAMRON LASHAWN WILLIAMS, Defendant - Appellee, Pro se, Detroit, MI.

**Judges:** Before: BATCHELDER, COLE, and BUSH, Circuit Judges.

## Opinion

### ORDER

This is an appeal by the plaintiff, United States Trustee Stuart A. Gold, from a district court decision reversing a bankruptcy court decision in an adversary proceeding. The bankruptcy court denied post-judgment motions by the defendants—Camile Vanice Williams, Gregory Stephone Williams, and Camron Lashawn Williams, children of Chapter 7 bankruptcy debtor, Edward Stephone Williams. The district court reversed on the ground that the bankruptcy court lacked subject-matter jurisdiction under the probate exception to federal jurisdiction. This case has been referred to a panel of the court that, upon examination, unanimously agrees that oral argument is not needed. *See Fed. R. App. P. 34(a)*. For the reasons below, we vacate the district court's order and remand.

Edward [\*2] Williams filed a Chapter 7 petition for bankruptcy. Williams did not list his home as property that he had an ownership interest in, claiming that the property was owned by his three adult children. The Trustee filed an adversary action against the children, seeking a judgment that the home was part of the bankruptcy estate given that it had passed to Williams by intestate succession on the death of his spouse, who had been the sole owner of the property. The defendants did not answer the complaint, and in February 2021 the Trustee obtained a default judgment.

In May, the bankruptcy court authorized the Trustee to sell the property to Camile Williams for \$75,000. The sale did not

close, and, in August, the defendants moved for relief from the default judgment based on lack of service. In January 2022, they moved for relief from the automatic stay. In those motions, the defendants asserted that before their mother died, she had transferred the property to them by an unrecorded quitclaim deed. In opposing the motions, the Trustee noted that the defendants and their attorney were properly served. Then, at an evidentiary hearing, the Trustee sought to prove that the defendants' deed was [\*3] fake and their mother's signature on it was forged.

The bankruptcy court denied the defendants' motions, determining that their deed was fake and that the bankruptcy estate was the sole owner of the property. *In re Williams*, 649 B.R. 264, 270 (Bankr. E.D. Mich. 2023). In that decision, the bankruptcy court rejected the defendants' argument that the court lacked subject-matter jurisdiction under the probate exception, which provides that "federal courts are prohibited from exercising jurisdiction over certain conflicts involving property subject to a state court probate proceeding." *Osborn v. Griffin*, 865 F.3d 417, 434 (6th Cir. 2017). The bankruptcy court noted that the exception was inapplicable because "the Trustee's claims do not seek to reach or affect property that is in the custody of a state probate court. No probate court was exercising *in rem* jurisdiction over the Property at the time the Trustee filed his Complaint in this adversary proceeding." *In re Williams*, 649 B.R. at 285.

The defendants appealed to the district court, which reversed, holding that the probate exception applied and therefore the bankruptcy court lacked subject-matter jurisdiction. *In re Williams*, 657 B.R. 93, 97-98 (E.D. Mich. 2024). The district court reasoned that the Trustee's adversary proceeding against the defendants "invites the bankruptcy court to determine intestate succession issues—namely, [\*4] whether the [defendants' mother] died intestate, whether her estate included the real property at issue, and whether under Michigan law the debtor inherited that property by intestate succession, thereby making it part of the debtor's bankruptcy estate." *Id.*, at 97.

On appeal, the Trustee argues that the probate exception to federal jurisdiction does not apply.

"[I]n bankruptcy appeals, we 'directly review the bankruptcy court's decision.' We do so by examining its factual findings under the clear error standard and its legal conclusions *de novo*." *In re Teter*, 90 F.4th 493, 498 (6th Cir. 2024), cert. denied, No. 23-1086, 144 S. Ct. 2527, 219 L. Ed. 2d 1204, 2024 WL 2116337 (U.S. May 13, 2024) (quoting *In re Purdy*, 870 F.3d 436, 442 (6th Cir. 2017)).

The probate exception to federal jurisdiction "reserves to state

probate courts the probate or annulment of a will and the administration of a decedent's estate; it also precludes federal courts from endeavoring to dispose of property that is in the custody of a state probate court." [Marshall v. Marshall, 547 U.S. 293, 311-12, 126 S. Ct. 1735, 164 L. Ed. 2d 480 \(2006\)](#).

But "this exception is 'of distinctly limited scope.'" [Osborn, 865 F.3d at 434](#) (quoting [Marshall, 547 U.S. at 310](#)). It "is narrowly limited to three circumstances: (1) if the plaintiff 'seek[s] to probate . . . a will'; (2) if the plaintiff 'seek[s] to . . . annul a will'; and (3) if the plaintiff 'seek[s] to reach the res'"—the property—"over which the state court had custody." [Chevalier v. Est. of Barnhart, 803 F.3d 789, 801 \(6th Cir. 2015\)](#) (quoting [\*5] [Wisecarver v. Moore, 489 F.3d 747, 750 \(6th Cir. 2007\)](#)).

This case presents none of those circumstances. As the bankruptcy court explained, no probate court had custody over the property. And "[t]he probate exception does not divest a federal court of subject-matter jurisdiction unless a probate court is already exercising *in rem* jurisdiction over the property at the time that the plaintiff files her complaint in federal court." [Id. at 804](#). Moreover, the probate exception also would not apply if, as the defendants maintain, the property was transferred to them before their mother's death. "[P]roperty that a party *removes* from a decedent's estate prior to [her] death is not part of the *res* that is distributed by the probate court." [Osborn, 865 F.3d at 435](#).

The district court determined that the probate exception applied because the Trustee's adversary action turned on Michigan intestacy statutes, which "is within the province of Michigan's state courts." [In re Williams, 657 B.R. at 97](#). Yet that was also the case in the adversary bankruptcy action in [Marshall](#), and the Supreme Court explained that the issue was "not the [state] Probate Court's jurisdiction, but the federal courts' jurisdiction to entertain [the plaintiff's] claim." [Marshall, 547 U.S. at 314](#). The Court was clear: "[u]nder our federal system, [a state] cannot render [\*6] its probate courts exclusively competent to entertain a claim of that genre." [Id.](#)

In sum, because the Trustee's adversary proceeding involved none of the three situations in which the probate exception to federal jurisdiction applies, the bankruptcy court correctly rejected that argument. The district court's decision to the contrary is vacated. Because the district court did not reach remaining aspects of the bankruptcy court's decision, any further matters should be resolved by the district court in the first instance.

Therefore, we **VACATE** the district court's order reversing the bankruptcy court's opinion and **REMAND** the case to the district court for further proceedings.