

INSTRUCTIONS
CHAPTER 12 ANNUAL DISPOSABLE INCOME WORKSHEET

The following guidelines should be used to complete the Annual Disposable Income Worksheet. The debtor's name, case number and plan year should be entered on each page.

Much of the work on this worksheet will involve transcribing and/or summing information from your 12 monthly reports for the year. Some information will be generated from your other records.

SECTION I - QUESTIONS

Please answer the questions numbered 1 through 5. Attach additional sheets if necessary.

SECTION II – FINANCIAL INFORMATION

Receipts:

A(1) – All Farm and Non-Farm Receipts. Enter amount from Page 1, Line R from each monthly report of the plan year. Attach a copy of CCC Form 182 for the current year.

A(2) – Post Confirmation Loans, Transfers and Cash Collateral. Enter the sum of amounts from Page 1 - Lines S, T and U, from each monthly report of the plan year. (This amount will not be used to calculate disposable net income in the summary page of this worksheet.)

A(3) – Accrued Farm Income due but not received at the end of the CURRENT year. This information does not come from your monthly reports. Enter income items you had not collected as of the end of the current year such as CCC deficiency, disaster payments, CRP and other receivables that you are owed. **DO NOT ENTER MONEYS TO BE RECEIVED FOR CROPS OR LIVESTOCK IN THIS SECTION.**

Expenses:

B(1) – Household and Living Expenses. Enter the amount from Page 2, Line IIA from each monthly report of the plan year.

Please review your original budget for the year and answer the questions on Page 1 following this section. If you are over budget, please answer the explanation question carefully. The trustee needs justifiable reasons if he is to allow over-budget living expenses to be deducted in the calculation of disposable income.

B(2) – Farm Operating Expenses and Other Business Expenses. Enter the amount from Page 2, Line S and Line V from each monthly report of the plan year. Notice that this section calls for both operating and capital expenditures. Please itemize the capital expenditures in the schedule below the totals.

B(3) – Plan payments made to Trustee and Paid Direct to Creditors. Enter the amount from Page 2, Line T and Line U, from each monthly report of the plan year.

B(4) – Post-Confirmation Loans Repaid, Transfers, and Cash Collateral Principle Repayments. Enter the sum of the amounts from Page 2, Line Y, Z and Line AA, from each monthly report of the plan year. (This amount will not be used to calculate disposable net income in the summary page of this worksheet.)

B(5) – Expenses incurred but not paid during the last month of the CURRENT year. This information does not come from your monthly reports. Enter expenses that you have incurred but not paid for as of the end of the year. Copies of invoices and/or other documentation are required if the trustee is to consider these expenses in the calculation of disposable net income.

Other Accrual Items:

C(1) – Accrued Plan Payments to the Trustee. Enter payments to be made to the trustee for the next plan year. Include the due date.

C(2) – Income Taxes Due. Enter the amount due at the end of the current year. If a refund is expected, show as a negative amount.

C(3) – Amounts accrued in previous year's report. Enter any amounts you accrued in the previous plan year to be paid for income taxes or to the trustee. Enter these as negatives in the space provided.

Inventories:

D(1) – CROPS. Value of all crops not sold as of the end of the CURRENT year. If you had not sold all crops by the end of the current year, please list the specific crops, the numerical counts or weights, and estimated value. Indicate in the middle column the basis of your valuation (Example – contracts, market value, estimate, etc.).

D(2) – LIVESTOCK. Value of all livestock not sold as of the end of the CURRENT year. If you had not sold all livestock by the end of the current year, please list the specific animals, the numerical counts, whether raised or purchased, and estimated value. Indicate in the middle column the basis of your valuation (Example – contracts, market value, estimate, etc.).

D(3) – SUPPLIES. Value of supplies on hand as of the end of the CURRENT year. List the storable items on hand as of the end of the current year that have been paid for but not used (Example – chemicals, seed, etc.).

SECTION III – CASH RECONCILIATION

Please enter the items called for in this section and reconcile your bank account(s) balance(s). Attach additional sheets if necessary.

Since you are required to reconcile your bank account(s) in your monthly reports, the annual report should reconcile also. If your balance will not reconcile, then you have made errors in adding up the results from your monthly reports. The report will be returned to you if the reconciliation is inaccurate.

SECTION IV – SUMMARY CALCULATIONS AND DEBTOR'S CERTIFICATION

This summary requires that you transfer certain information from Section II (Financial Information) through Section III (Cash Reconciliation). Other blanks must be completed with information from your previous year's report.

The summary calculation sheet (Section IV) is organized in three sections. Disposable Income for the plan year is calculated by subtracting total expenses from total income and adding the inventory adjustment section. Transfer requested amounts from sections shown and calculate the Disposable Income for the Plan Year.

Remittance – If you calculate a positive disposable net income, attach a check and fill in the blanks in the sentence immediately after the final line of the summary.

Answer the questions concerning minimum disposable income required by your plan and your progress toward that minimum.

Certification – Read and sign the certification at the bottom of Page 9.