6-29/113.00 Closing

The court orders a Chapter 7, 11, 12, and 13 case closed after the estate is fully administered and the trustee is discharged. (11 USC 350(a)) In a Chapter 9, the court must close the case when the administration of the case has been completed. (11 USC 945(b))

At the conclusion of an individual's bankruptcy case, the court enters an order closing the case. Unless the trustee has assets to distribute to creditors, case closing takes place fairly quickly in chapter 7 cases. In chapter 13, the case will not be closed until after the debtor finishes making payments under the plan. The case will also be closed if the court dismisses the case.

A final decree is required in Chapter 11 cases. The court, after an estate is fully administered and on its own motion or that of a party in interest, shall enter a final decree closing the case. The court considers the following to determine whether the estate has been fully administered (FRBP 3022):

1. order confirming the plan has become final;
2. deposits required by the plan have been distributed;
3. property has been transferred;
4. debtor or successor under the plan has assumed management of the property;
5. payments under the plan have begun; and,

6. all motions, contested matters, and adversary proceedings have been finally resolved.

In Chapter 7and 13 cases, it is presumed that the estate has been fully administered if: the trustee has filed a final report and accounting; the trustee has certified that the estate has been fully administered; and, the United States trustee or a party in interest does not file an objection within 30 days. (FRBP 5009) The court closes a case by issuing a final decree discharging any trustee not previously discharged, canceling the trustee’s bond and closing the case.