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MAY 08 2006

U.S. BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA

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6 **IN THE UNITED STATES BANKRUPTCY COURT**
7 **FOR THE DISTRICT OF ARIZONA**

8
9 In re:) Chapter 7
10 JORGE A. LOPEZ,)
11 _____ Debtor.) No. 4-05-bk-03615-JMM
12 ILENE J. LASHINSKY, UNITED STATES) Adversary No. 4-05-ap-00212-JMM
13 TRUSTEE,) **MEMORANDUM DECISION**
14)
15 vs.)
16 JORGE A. LOPEZ,)
17 _____ Defendant.)

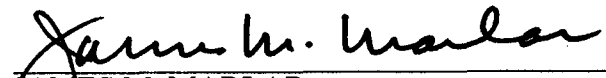
18 At issue in this case is whether the Debtor's discharge should be denied pursuant to 11
19 U.S.C. § 727(a)(4) by his failure to initially list a diamond ring and a Rolex watch in his schedules.
20 Based on the evidence presented at trial on May 8, 2006, the court finds and concludes:

- 21 1. The diamond ring is worth \$800.
22 2. The Rolex watch is worth \$900.
23 3. The ring was not initially entitled to an exemption, under ARIZ. REV.
24 STAT. § 33-1125(4), because it is not the Debtor's engagement ring. It is
25 merely an item of property.
26

- 1 4. The Rolex watch would also not be exempt, since it is not the same watch
2 which the Debtor originally listed and valued at \$40. Therefore, it was not
3 initially entitled to the exemption contained in ARIZ. REV. STAT.
4 § 33-1125(6).
- 5 5. The Debtor listed both items in amended schedules filed on September 26,
6 2005 and February 24, 2006.
- 7 6. The Debtor claimed both items as exempt on the amended schedules.
- 8 7. Thereafter, neither the Trustee nor any other creditor or party in interest
9 objected to the exemptions claimed, as required by FED. R. BANKR. P.
10 4003(b) to be filed within 30 days after the meeting of creditors or within
11 30 days after any amendment to the list or supplemental schedules is filed,
12 whichever is later.
- 13 8. 11 U.S.C. § 522(1) provides that unless a party in interest objects, property
14 claimed as exempt is entitled to the exemption claimed.
- 15 9. Thus, as a matter of law, the \$900 Rolex and \$800 ring are therefore
16 entitled to an exemption. *Taylor v. Freeland and Kronz*, 503 U.S. 638
17 (1992).
- 18 10. The Debtor did not intentionally or fraudulently make a material false oath
19 which would be sufficient to preclude discharge pursuant to 11 U.S.C.
20 § 727(a)(4). The Debtor's explanations as to why these items were not
21 initially listed were credible, and these relatively small amounts do not
22 amount to materially false omissions.
- 23 11. Additionally, even assuming the items were not exempt, the Trustee stated
24 that they were of inconsequential value to creditors, and the case was still
25 a "no asset" one.
- 26

1 12. Judgment shall be entered for the Debtor, by separate judgment. FED. R.
2 BANKR. P. 9021.

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4 DATED: May 8, 2006.

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6 
7 JAMES M. MARLAR
8 UNITED STATES BANKRUPTCY JUDGE

9 COPIES served as indicated below this 8
10 day of May, 2006, upon:

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