

# Tax Refunds in an Arizona Bankruptcy: Where Does The Money Go?

by Windtberg & Zdancewicz, PLC on September 3, 2013



Generally, tax refunds are something people look forward to receiving. In bankruptcy cases, however, it is the creditors, the U.S. Trustee, and the bankruptcy estate that are watching for those much-anticipated checks to arrive.

In Arizona Chapter 7 or Chapter 13 cases, if the debtor receives the previous year's tax refund after filing for bankruptcy, all or part of the refund will go to the bankruptcy estate. This applies to both state and federal tax refunds.

In a Chapter 13 bankruptcy, the entire amount of the tax refund must go to the bankruptcy estate each year for as long as the bankruptcy repayment plan remains in force.

If you would like more information about taxation issues in bankruptcy, creditors' rights, or if you need assistance from an attorney, **contact [Windtberg & Zdancewicz](#) to schedule an initial consultation.**

*The attorneys at [Windtberg & Zdancewicz, PLC](#), provide clients with experienced legal representation in all collection matters. We are experienced in creditor's rights including garnishments, charging orders, attachment, property execution, trustee's sales, foreclosures, judgments, judgment collection, domestication of foreign judgments, and creditor's issues in bankruptcy cases. If you need assistance with your collection matters, please contact us at [\(480\) 584-5660](#).*

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