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DOROTHY A. EVANS, CLERK
U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF OKLAHOMA

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF OKLAHOMA

In re:)	
)	
JOSEPH RAY PRESGROVE and)	
CAROL ANN PRESGROVE,)	Case No. 97-05183-R
)	
Debtors.)	Chapter 7
<hr/>		
)	
JOSEPH RAY PRESGROVE and)	
CAROL ANN PRESGROVE,)	
)	
Plaintiffs,)	
)	
v.)	Adv. No. 98-0002-R
)	
UNITED STATES OF AMERICA, ex rel.)	
INTERNAL REVENUE SERVICE,)	
)	
Defendant.)	
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JUDGMENT

THIS MATTER comes before the Court upon plaintiffs' Complaint to Determine Dischargeability of Debt filed on January 5, 1998, in which plaintiffs request the Court to determine the dischargeability of plaintiffs' federal income tax liabilities.

WHEREFORE it appearing to the Court that plaintiffs and the United States of America are in agreement as to the disposition of the above-captioned adversary proceeding as to them pursuant to the joint stipulation filed herewith, it is

ORDERED AND ADJUDGED that the stipulation between plaintiffs and the United States of America is hereby APPROVED and ADOPTED by the Court, and it is

FURTHER ORDERED as follows:

1. The plaintiffs filed a Chapter 7 petition in bankruptcy on November 4, 1997.

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Northern District of Oklahoma

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2. On January 5, 1998, the plaintiffs filed the above-captioned adversary action seeking a determination of the dischargeability of federal income tax liabilities owed to the United States.

3. The plaintiffs' federal income tax liabilities for their 1989 - 1993 tax years are properly subject to discharge in this adversary proceeding, pursuant to 11 U.S.C. Section 727, if and when a discharge is entered in this case.

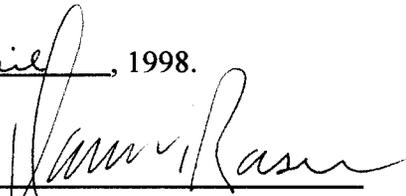
4. The plaintiffs' federal income tax liabilities for their 1994 - 1996 tax years are not dischargeable. See 11 U.S.C. Sections 523(a)(1)(A) and 507(a)(8)(A)(i).

5. The plaintiffs' liability under 26 U.S.C. Section 6672 for federal trust fund employment taxes and interest in connection with the 1991 tax year are not dischargeable, because they are trust fund taxes. See 11 U.S.C. Sections 523(a)(1)(A) and 507(a)(8)(C).

6. The United States has properly filed pre-petition Notices of Federal Tax Lien in connection with the plaintiffs' 1989 - 1993 federal income tax liabilities, which attach to all existing property and rights to property, including exempt property, belonging to the plaintiffs on and prior to the filing of the Chapter 7 petition. See 11 U.S.C. Section 522(c)(1) and 26 U.S.C. Section 6231.

7. The United States has properly filed pre-petition Notices of Federal Tax Lien in connection with the plaintiffs' 1994 - 1996 federal income tax liabilities, and 1991 federal employment taxes and interest, which attach to all existing property and rights to property, including exempt property, belonging to the plaintiffs prior to and following the filing of the Chapter 7 petition. See 11 U.S.C. Section 522(c)(1) and 26 U.S.C. Section 6231.

IT IS SO ORDERED this 2 day of April, 1998.



DANA L. RASURE
UNITED STATES BANKRUPTCY JUDGE