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EXEMPTIONS, AND SOME NECESSARY PIGEON HOLES

KIP M. KALER*

I. INTRODUCTION

This article is in response to the commentary of Lowell P. Bottrell concerning "pigeon holed" exemptions.¹ The article describes the background of exemptions and the need for exemptions.² There is a strong social and moral need for exemptions even absent the constitutional requirement.³ Exemptions serve a very important societal purpose in providing "necessary property for the physical survival of the debtor; to protect the dignity, culture, and religious identity of the debtor; to enable the debtor to rehabilitate financially and to provide for the debtor's family; and to protect the debtor and the debtor's family from impoverishment."⁴

Mr. Bottrell's article suggests that there is a need for reformation of the exemption scheme, at least as it exists in North Dakota and Minnesota.⁵ That is agreed. The bigger question, however, is what does the reformation intend to rectify? The single "wild card" exemption proposed by Mr. Bottrell⁶ will just change the nature of the problem, rather than eliminate the problem. A better resolution is to eliminate some pigeon holed exemptions, to restrict the creation or increase in exemptions at certain times, and to create a small "wild card" exemption, thus reducing "bankruptcy planning"⁷ and allowing exemptions where needed.

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1. Lowell P. Bottrell, *Comfortable Beds, a Church Pew, a Cemetery Lot, One Hog, One Pig, Six Sheep, One Cow, a Yoke of Oxen or a Horse, and Your Notary Seal: Some Thoughts About Exemptions*, 72 N.D. L. REV. 83, 92 (1996).

2. *Id.* at 85-86.

3. *Id.* at 87-90.

4. *Id.* at 97.

5. *Id.* at 84 (suggesting that "the pigeon hole exemptions in North Dakota and Minnesota be abolished").

6. Bottrell, *supra* note 1, at 94-97.

7. The art of converting nonexempt assets to exempt assets, prior to the filing of bankruptcy, to preserve as much equity as possible, without losing the bankruptcy discharge. *See id.*, at 93 n.59 and accompanying text (discussing "games" debtors play "on the eve of bankruptcy to ward off creditors").

Not only will this planning occur in the bankruptcy context, it undoubtedly occurs elsewhere, as debtors place their assets into exemptions to ward off creditors. This might more accurately be termed "exemption" planning rather than "bankruptcy" planning.

II. WHOM DOES THE PIGEON HOLED EXEMPTIONS AFFECT?

As long as exemptions are left to the political process, there will undoubtedly be pigeon holes. It would be a much bigger surprise if agricultural states, such as Minnesota and North Dakota, had not provided for the exemption of farm animals and equipment. The modification of exemptions to eliminate the pigeon holed exemptions entirely, is no more likely to occur than it is to expect that all of the tax loopholes will be closed through tax reform. So long as there are special interests, there will be pigeon holes and loopholes. This is not to say that the exemption scheme in either Minnesota or North Dakota is perfect, or even good, but it is to say that it is impractical to expect the exemptions to be modified to such extent as to allow a single "wild card" exemption.⁸

Additionally, a single wild card exemption would further defeat some of the societal purposes of exemptions. Consider how the exemptions are used. Most often the exemption issue arises in the context of a bankruptcy case. It has been my experience that the present scheme of exemptions in North Dakota and Minnesota is not so unfair as to need modification due to its form or extent. For the twelve month period ending June 30, 1996, of the 245 bankruptcy cases I closed as trustee, only 9.4% of those cases⁹ had nonexempt assets. The United States Trustee's Office reports, as part of the audit performed on trustees, that 6.5% of the 2669 bankruptcy cases closed¹⁰ for the districts of South Dakota and North Dakota, were asset cases. It is my experience that the vast majority of bankruptcy cases filed are by households of \$30,000 per year income, or less. It is my estimate that less than one-half of those filing bankruptcy own a homestead. Of the 1,228 Chapter 7 cases filed¹¹ in 1995 in North Dakota, 1,054 (85.8%) had assets totaling less than \$50,000, and 133 (10.8%) had assets between \$50,000 and \$100,000.¹² Over 85% of all bankruptcy debtors have no, or only a modest homestead.¹³ Another 11% of the debtors probably have a homestead, but

8. A "wild card" exemption refers to an exemption that allows exemption of any personal and/or real property of the debtor, as opposed to specific exemptions of household goods, a church pew, a cemetery lot, one hog, one pig, a yoke of oxen, etc.

9. DEPARTMENT OF JUSTICE, UNITED STATES TRUSTEE'S OFFICE, UNITED STATES TRUSTEE SYSTEM TRUSTEE EVALUATION RECORD: CHAPTER 7 TRUSTEE KIP M. KALER DISTRICT OF NORTH DAKOTA 1995-1996, at 4 (on file with author).

10. *Id.*

11. CLERK OF BANKRUPTCY COURT, SEARCH OF CASES FILED IN 1995, at 1 (compiling information for the District of North Dakota from the summaries filed with each bankruptcy filing) (on file with author). This includes cases converted from 11, 12, and 13, to chapter 7. *Id.*

12. *Id.*

13. Presumably, anyone reporting less than \$50,000 in assets in their bankruptcy filing either did not have any real estate, or owned real estate with a value of less than \$50,000.

likely also have a large mortgage to go with it.¹⁴ The conclusion that can be reached from these simple statistics, and my own experience, is that the exemption abuse that may exist comes from those debtors with access to significant assets or significant income. It is those debtors with significant assets or income who will have the means to convert their assets from nonexempt to exempt, or "bankruptcy plan."

Exemptions need to be allowed to those who need exemptions. Those persons with significant income or other means to provide for themselves have a lesser need for exemptions. It is, however, impractical to base the availability of exemptions on a person's ability to generate income, and it may be unconstitutional.¹⁵ The desired end result is preventing those with the capabilities to care for themselves from getting more exemptions than necessary. That seems to be a very subjective, and therefore, arbitrary principle. The solution may be to make the rapid creation of exemptions impractical, thereby eliminating "bankruptcy planning," rather than changing to a single "wild card" exemption.

Because North Dakota has "wild card" exemptions in the form of the "single person" exemption,¹⁶ "head of a family" exemption,¹⁷ and the "in lieu of homestead" exemption,¹⁸ debtors rarely lose assets to creditors or to the bankruptcy estate.¹⁹ Therefore, a new \$50,000 "wild card" exemption would provide little, or no, additional exemptions to the majority of debtors.

Minnesota is not so generous, and has no "wild card" exemption. Therefore, debtors in Minnesota have no means to exempt cash or bank accounts, except to the extent the fund can be traced to wages.²⁰ In Minnesota, therefore, people with little money or income would gain some small advantage from *any* "wild card" exemption. However, that

14. This is based on my experience in reviewing the cases I have heard as trustee, filed on behalf of debtors, or reviewed on behalf of trustees or creditors. Typically, the most commonly owned asset that will allow a debtor to own assets with a value of over \$50,000 will be the financed purchase of a homestead.

15. *State v. Ohnstad*, 392 N.W.2d 389, 390-92 (N.D. 1986). In *Ohnstad*, the North Dakota Supreme Court held that it is unconstitutional to discriminate based on the debtor's inability to pay. *Id.* This may be discrimination based upon wealth.

16. N.D. CENT. CODE § 28-22-05 (1991).

17. § 28-22-03.

18. § 28-22-03.1(1) (Supp. 1995).

19. Only 4.9% to 6.9% of the non-metro Minnesota and all North Dakota cases are "asset" cases. Some of those cases are as result of recovery of fraudulent or preferential transfers of property by the debtor that he did not have possession of at the time of bankruptcy in any event. Also, since Minnesota has no "wild card" exemption, there are a few cases where the trustee recovers some minimal assets, such as cash or bank accounts that the debtor could not exempt using Minnesota exemptions. Therefore, the conclusion is that in less than 6.9% of the cases are there assets that the debtor cannot exempt.

20. MINN. STAT. ANN. § 550.37, subd. 13 (West Supp. 1996). Wages exempt from garnishment continue to be exempt for 20 days after deposit into a financial account. *Id.*

same advantage might be gained by even a small "wild card" exemption rather than a \$50,000 exemption. If there is no "wild card" exemption, the persons most adversely affected would be the unemployed who will be the persons most in need of that cash for their next meal; followed by those low income wage earners who are undoubtedly on a hand-to-mouth budget; and on up the chain until you get to those debtors with high-paying jobs who can readily obtain some credit or other exempt assets which they could readily liquidate or rely upon until their next pay check. The Minnesota exemption scheme induces bankruptcy planning, for all persons, as even debtors with little cash would want to convert that cash to some other exempt asset or lose it.

While there is something unseemly about the debtor who converts nonexempt assets into exempt assets on the eve of bankruptcy,²¹ it is not the \$1,000 transfers that are so disturbing, it is the \$10,000, \$50,000, or \$100,000 transfers that must be stopped. The single \$50,000 "wild card" exemption would stop the exemption planning, but it would still allow a fairly well-to-do debtor to keep \$50,000, which doesn't seem right either. Reducing the exemption to \$20,000 would hurt the debtor who worked hard, slowly building equity in his homestead and then finds in bankruptcy that he can't keep his homestead with \$25,000 equity, not to mention other small assets. It would also hurt the couple approaching retirement who has managed only to accumulate any value by paying off their homestead. Who is most likely to have assets, other than a homestead, worth \$50,000? It will undoubtedly be someone with a large income that will likely be capable of recovering from bankruptcy without \$50,000 in personal property. The purpose of exemptions ought not to be to allow people merely to retain assets; it ought to be to allow people to retain what is *necessary* to recover through a reasonable standard of living, not necessarily the high standard the debtor may have maintained prior to bankruptcy.

We must keep the goals of exemptions in mind: to allow the debtors to survive, to rehabilitate themselves, and to prevent the impoverishment of the family, while maintaining some dignity. A better resolution of the exemption issue is a shortened list of pigeon holes, with restrictions on how and when they may be created, and a small "wild card" exemption.

21. See Bottrell, *supra* note 1, at 93 n.59 and accompanying text (discussing "games" debtors play "on the eve of bankruptcy to ward off creditors").

III. WHAT DO DEBTORS NEED?

Debtors need housing, clothing, food, transportation, special medical provisions, certain sources of income, certain artifacts to preserve their dignity, culture and religious identity, and a right to a fresh start. This can all be accomplished through certain limited exemptions. The exemption planning can be avoided by placing certain limitations on the exempt asset creation. What exemptions do debtors fairly need, to get their fresh start, without the head start of "bankruptcy planning"?

A. HOUSING

The present exemption allowed for homestead property,²² would seem reasonable to most people. The problem that has occurred with the homestead exemption is those debtors who liquidate large nonexempt assets for the purchase of a homestead or a significant pay down of debt against the homestead. This type of asset maneuvering is not necessary to preserve the homestead, but rather is merely a safe-harbor for assets. The homestead exemption should be modified, to prevent bankruptcy planning, by limiting the acquisition of homestead or extraordinary mortgage reduction on a homestead, within one year, or some such period, prior to the filing of bankruptcy or the issuance of execution on judgment against the debtor. The typical wage earner debtor can continue to make his mortgage payments and is unaffected. The 5% of debtors that might be affected, are those that convert nonexempt assets into cash for purposes of hiding those assets.

B. CLOTHING

Although I have never seen a case where a creditor or trustee has taken clothing from a debtor, where there is opportunity, there eventually will be someone there to take that opportunity. North Dakota's present exemption of all clothing of the debtor is appropriate from the perspective that their clothing is going to have very little or no value to anyone else. However, Imelda Marcos' 3000 pairs of shoes would seem to call for some sort of limit.

C. FOOD

North Dakota's present exemption allows for provisions for the debtor and the debtor's family necessary for one year's supply.²³ Like

22. N.D. CENT. CODE § 28-22-02(10) (1991). Section 28-22-02 also permits the exemption of a trailer house, or such similar real or personal property occupied by the debtor as homestead.

23. § 28-22-02(6).

clothing, at some point creditors can expect an abuse, but any debtor who is going to buy extravagant amounts of food, either in quantity or type, isn't going to be making a significant profit or gain for themselves, and is more likely to incite one or more creditors to pursue them in other matters which are certainly to exist.²⁴

D. TRANSPORTATION

The \$1,200 vehicle exemption²⁵ is not extravagant, and in fact may be too small. This exemption is necessary in that the vast majority of bankruptcy debtors is in need of transportation to and from work as part of their fresh start.

E. ARTIFACTS TO PRESERVE THE DIGNITY, CULTURE AND IDENTITY OF THE DEBTOR

As with the exemption of the house of worship pew,²⁶ burial lot,²⁷ a family bible and library,²⁸ other such similar cultural or religious artifacts ought to be preserved by the debtor. This exemption should be expanded to cover those items which have little value to anyone other than the debtor, but have personal, cultural, or religious value. This exemption, however, needs to be more carefully crafted to prevent long-term bankruptcy planning. Again, an opportunity is presented to those debtors with the means. It seems like only a matter of time before some debtor turns up with his family Gutenberg Bible, just as one previously turned up with a "Januarius" violin.²⁹ Thus, this exemption ought to have some monetary limitation on it.

24. If a debtor is going to bankruptcy plan, it would be rather foolhardy to make their investment in something as perishable and unsalable as food. If the debtor has bankruptcy planned by buying food, the likely reason is that he has already used up all other non perishable and hard exemptions.

25. N.D. CENT. CODE § 28-22-03.1(2) (Supp. 1995).

26. § 28-22-02(2) (1991).

27. § 28-22-02(3).

28. § 28-22-02(4).

29. Even cultural or religious heirlooms should not be absolutely exempt at a significant cost to creditors. An unlimited exemption for musical instruments was found unconstitutional by the Minnesota bankruptcy court. In re Hilary, 76 B.R. 683, 686 (Bankr. Minn. 1987). The exemption had provided for the exemption of "[t]he family Bible, library, and musical instruments." *Id.* at 685 (quoting MINN. STAT. ANN. § 550.37, subd. 2 (West 1988)). The North Dakota Century Code allows exemption of "[t]he family Bible and all schoolbooks used by the family and all other books used as part of the family library not exceeding in value one hundred dollars." N.D. CENT. CODE § 28-22-02(4). If the statute can be interpreted as limiting the Bible *and* all other books to a total of \$100, there is no similar problem. On the other hand, exemptions are to be liberally interpreted. *Bradley v. Earle*, 132 N.W. 660, 660-61 (N.D. 1911).

F. CERTAIN INCOME

Certain debtors are simply unable to provide for themselves, absent outside assistance. Those debtors receiving Worker's Compensation, disability income, social security, social security with disability income, or other means of social welfare support, ought to be able to retain those type of benefits through pigeon holed exemptions for those benefits.

Certain other types of income might not necessarily need to be exempt. Persons living off of their lottery winnings, do not present a difficult issue. Those persons who generate a significant debt while receiving lottery or other income from good fortune, but have run into bad fortune, need to face up to the consequences; after all, it is the creditor's money that has been wagered, rather than the debtor's milk money. Perhaps even those debtors receiving retirement income should not be allowed to exempt that income, except to the extent reasonably necessary to support themselves or their dependents.³⁰

G. FRESH START

Every debtor ought to start on their way with something. There are many types of assets that probably would be considered essentials, that the debtor would need to get a fresh start. The vast majority of people have some accrued income coming at the time they file bankruptcy, such as small bank accounts, equity of more than \$1,200 in a vehicle, insurance policies with small equity, household goods, and tools or implements for one's occupation. Some exemption of these things is probably appropriate. The use of a "wild card" exemption would be a simple way to allow everyone the same reasonable amount.

The amount of this "wild card" exemption will be the subject of the greatest debate. However, consider again who is filing bankruptcy, and what cases generate assets available to the creditors. Ninety-three percent or more of all bankruptcies are no-asset cases.³¹ The vast majority of these cases do not require any bankruptcy planning. Even with bankruptcy planning, the vast majority of these cases use the homestead exemption and head of household exemption of \$5,000 to exempt all of their assets. Those without a homestead or small equity in a homestead, manage to exempt their residence and personal property using the

30. 11 U.S.C. § 522(d)(11)(E) (1994); MINN. STAT. ANN. § 550.37, subd. 24(2) (West Supp. 1996).

31. See *supra* text accompanying notes 10-11 (discussing assets involved in bankruptcy cases).

in lieu of homestead, and head of household exemption.³² An exemption of \$10,000 per person would allow debtors essentially the same amount of exemptions as the current exemptions. Those debtors with equity in a homestead would be better off.³³

Perhaps the appropriate course would be to adopt the federal exemptions available to bankruptcy debtors.³⁴ That exemption scheme is

32. For example, in the case of a husband and wife, the in lieu of homestead exemption provides a \$7,500 exemption each. N.D. CENT. CODE § 28-22-03.1(1) (Supp. 1995). Further, the head of household exemption provides an exemption of \$5,000 for one of the spouses, § 28-22-03 (1991), and under § 28-22-03.1(2) (Supp. 1995), each spouse is provided a \$1,200 vehicle equity allowance. Altogether, these two persons exemptions total \$22,400.

33. Presently, equity in a homestead can be exempted using the "in lieu of homestead" exemption, but there is that much less of that exemption available to exempt other assets. With a homestead exemption and a "wild card" exemption, the debtor could exempt the homestead and use the \$10,000 "wild card" exemption.

34. See 11 U.S.C. § 522 (1994) (codifying the federal exemptions). Subsection (d) of § 522 provides the following exemptions:

- (1) The debtor's aggregate interest, not to exceed \$15,000 in value, in real property or personal property that the debtor or a dependent of the debtor uses as a residence, in a cooperative that owns property that the debtor or a dependent of the debtor uses as a residence, or in a burial plot for the debtor or a dependent of the debtor.
- (2) The debtor's interest, not to exceed \$2,400 in value, in one motor vehicle.
- (3) The debtor's interest, not to exceed \$400 in value in any particular item or \$8,000 in aggregate value, in household furnishings, household goods, wearing apparel, appliances, books, animals, crops, or musical instruments, that are held primarily for the personal, family, or household use of the debtor or a dependent of the debtor.
- (4) The debtor's aggregate interest, not to exceed \$1,000 in value, in jewelry held primarily for the personal, family, or household use of the debtor or a dependent of the debtor.
- (5) The debtor's aggregate interest in any property, not to exceed in value \$800 plus up to \$7,500 of any unused amount of the exemption provided under paragraph (1) of this subsection.
- (6) The debtor's aggregate interest, not to exceed \$1,500 in value, in any implements, professional books, or tools, of the trade of the debtor or the trade of a dependent of the debtor.
- (7) Any unmaturing life insurance contract owned by the debtor, other than a credit life insurance contract.
- (8) The debtor's aggregate interest, not to exceed in value \$8,000 less any amount of property of the estate transferred in the manner specified in section 542(d) of this title, in any accrued dividend or interest under, or loan value of, any unmaturing life insurance contract owned by the debtor under which the insured is the debtor or an individual of whom the debtor is a dependent.
- (9) Professionally prescribed health aids for the debtor or a dependent of the debtor.
- (10) The debtor's right to receive—
 - (A) a social security benefit, unemployment compensation, or a local public assistance benefit;
 - (B) a veterans' benefit;
 - (C) a disability, illness, or unemployment benefit;
 - (D) alimony, support, or separate maintenance, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor;
 - (E) a payment under a stock bonus, pension, profit-sharing, annuity, or similar plan or contract on account of illness, disability, death, age, or length of service, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor, unless—
 - (i) such plan or contract was established by or under the auspices of an insider that employed the debtor at the time the debtor's rights under such plan or contract

the pigeon holed type exemption, but each pigeon hole has a monetary limit. That would still condone some bankruptcy planning as there is a \$15,000 exemption available to each debtor for a "residence," but if not used, only \$7,500 in lieu of that "residence" exemption. Therefore, a husband and wife could invest the proceeds of the sale of nonexempt property into a residence on the eve of bankruptcy and exempt it, up to \$30,000, or not invest it in their residence and exempt only \$15,000 of those proceeds.³⁵

IV. WHAT EFFECT WOULD A WILD CARD EXEMPTION HAVE ON CREDITORS?

What this exemption scheme would do is eliminate short-term exemption planning. The two biggest loop holes in North Dakota are the homestead exemption,³⁶ and the pensions, life insurance, and retirement accounts exemption.³⁷ Minnesota's biggest exemption subject to bankruptcy planning is the \$200,000 homestead exemption for city-dwellers and the \$500,000 agricultural homestead exemption.³⁸ Minnesota also has a "tools of the trade" exemption of \$5,000 (\$13,000 for farmers) for each debtor.³⁹ As the exemption scheme now exists, those debtors with the means readily can convert nonexempt assets into these types of assets. It would likely be considered malpractice not to advise a

arose;

(ii) such payment is on account of age or length of service; and

(iii) such plan or contract does not qualify under section 401(a), 403(a), 403(b), or 408 of the Internal Revenue Code of 1986.

(11) The debtor's right to receive, or property that is traceable to—

(A) an award under a crime victim's reparation law;

(B) a payment on account of the wrongful death of an individual of whom the debtor was a dependent, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor;

(C) a payment under a life insurance contract that insured the life of an individual of whom the debtor was a dependent on the date of such individual's death, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor;

(D) a payment, not to exceed \$15,000, on account of personal bodily injury, not including pain and suffering or compensation for actual pecuniary loss, of the debtor or an individual of whom the debtor is a dependent; or

(E) a payment in compensation of loss of future earnings of the debtor or an individual of whom the debtor is or was a dependent, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor.

35. A husband and wife may each exempt up to \$7,500 of their unused residence exemption under 11 U.S.C. § 522(d)(1), of any assets. 11 U.S.C. § 522(d)(5).

36. N.D. CENT. CODE §§ 28-22-02(7) (1991), 47-18-01 (Supp. 1995).

37. N.D. CENT. CODE § 28-22-03.1(3) (Supp. 1995). This exemption allows the accumulation of value of up to \$200,000 aggregate, so long as the policies have been in existence for one year.

38. The city homestead exemption is limited in size to 1/2 acre and the agricultural exemption is limited to 160 acres. MINN. STAT. ANN. § 510.02 (West Supp. 1996).

39. MINN. STAT. ANN. § 550.37(5) -37(6) (West 1988 & Supp. 1996).

debtor prior to filing bankruptcy what assets he will lose as nonexempt and tell him the legal means available to retain that equity through exemption planning.

A \$50,000 wild card exemption would be devastating upon creditors. Who would loan money to a debtor on an unsecured basis, with \$20,000 in debt and only \$40,000 in cash or liquid assets? That is a preposterous situation, but possible. The \$50,000 wild card exemption would effectively prevent the collection of debt from any debtor with \$50,000 or less in equity in his assets. Not only could a debtor exempt all of his personal and real property up to \$50,000, but what would prevent him from exempting the 25% held by his employer on a garnishment?

One of the more frequently asked questions by creditors after the filing of a bankruptcy is "why is the debtor still operating his business?" Allowing a large wild card exemption would allow such an asset or business exemption, fueling the friction between debtors and creditors. With a \$50,000 wild card exemption and virtually no means for debt collection because of this vast exemption, this type of law would condone nonpayment of debt, for all but the wealthy.⁴⁰

Exemptions were not intended to increase a debtor's standard of living, but merely to allow a debtor to maintain a reasonable standard. Allowing debtors an exemption plan which retains assets with significant equity would discourage creditors from dealing with debtors of modest means. A large wild card exemption may cause more harm to those hard-working people with lesser incomes who choose to pay their debts rather than take an easier course of avoiding their creditors. The answer to the exemption dilemma would seem to be, in part, to prevent the rapid accumulation of exempt assets by debtors who do not pay their creditors, but to allow the more extensive pigeon holed exemptions, so long as the exemptions are created in the ordinary course of the debtor's living.

V. CONCLUSION

Neither North Dakota's nor Minnesota's exemptions are in and of themselves abusive. It is the manner of the creation of the exemptions that is abusive. It is the bankruptcy or exemption *planning* that should be prevented. Most of that can be avoided by disallowing an extraordinary accumulation of exemptions in a given time period immediately preceding the filing of the debtor's bankruptcy or the execution of judgment. The creation of a significant equity in a homestead, so long

40. Wealthy being defined as those with more than \$50,000 in equity. In light of the limited value of used household goods, that might be a small part of the population.

as it is in the ordinary course of the debtor's lifestyle should not be prohibited. The debtor should also be allowed to retain other of life's essentials. The retention of \$50,000 in any assets does not serve the purpose of exemptions: allow the debtors needed housing, clothing, food, transportation, special medical provisions, certain sources of income, certain artifacts to preserve their dignity, culture and religious identity, and a right to a fresh start. The better solution seems to be to allow a limited list of pigeon holed exemptions and a small "wild card" exemption, but also to prohibit the sudden or large increase in exemptions just prior to bankruptcy or execution against the debtor's property.

