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## Florida Department of Revenue v. Piccadilly Cafeterias, Inc.: Bankruptcy Transfer-Tax Exemption Requires Sale Pursuant to Confirmed Plan

**Date:** 06/18/08

On June 16, 2008, in *Florida Department of Revenue v. Piccadilly Cafeterias, Inc.*,<sup>1</sup> the United States Supreme Court (Thomas, J.) reversed a lower-court decision exempting a sale of assets by a debtor in bankruptcy from the imposition and collection of transfer taxes, even though the sale was closed prior to the confirmation of a plan of reorganization,<sup>2</sup> and held that the bankruptcy transfer-tax exemption applies only to sales undertaken pursuant to a plan that has already been confirmed by the bankruptcy court.<sup>3</sup>

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