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

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On June 16, 2008, in *Florida Department of Revenue v. Piccadilly Cafeterias, Inc.*,¹ 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,² 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.³

Attorneys

- Joel H. Levitin
- Richard A. Stieglitz Jr.