

# **BANKRUPTCY UPDATE**

## **January 20, 2026**

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### **LKA Decision**

You can use the link in the "Links" section below to view the following decision:

#### ***In re Roe***

**Issue:** Whether the debtor's interest in an alimony award incorporated in a state court divorce judgment was property of the bankruptcy estate and subject to administration by the chapter 7 trustee?

**Ruling:** Yes. The debtor's alimony award was property of the bankruptcy estate pursuant to 11 U.S.C. §541(a)(1), the debtor could not exempt it under S.D.C.L. §43-45-2(9) because it was a gross or lump sum and exceeded the maximum monthly amount of \$750.00, and it was required to be turned over to the chapter 7 trustee for administration, though the debtor could timely amend and exempt the alimony under any remaining portion of her allowed exemption under S.D.C.L. §43-45-4.

### **Links**

[\*In re Roe\*](#)

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