# The Supreme Court - January 14, 2021

Today, the Supreme Court of the United States issued the following decision:

**Chicago v. Fulton**, No. 19-357: Under the Bankruptcy Code, filing a bankruptcy petition creates a bankruptcy estate and also operates as a stay on any entity's efforts to collect from the debtor outside the bankruptcy forum. This stay includes a prohibition on "any act . . . to exercise control over property of the estate." 11 U.S.C. §362(a)(3). Here, each respondent's vehicle had been impounded by the City of Chicago for failure to pay fines, and each had requested that the City return his or her vehicle after filing a Chapter 13 bankruptcy petition. A bankruptcy court held that the City's refusal to do so violated the automatic stay under §362(a)(3), and the Seventh Circuit affirmed. Today, the Court reversed, holding that the mere retention of property after a bankruptcy petition is filed does not violate §362(a)(3).

The Court's decision is available here.

## Related Capabilities

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