

**UNITED STATES BANKRUPTCY COURT  
NORTHERN AND SOUTHERN DISTRICTS OF MISSISSIPPI**

**STANDING ORDER DESIGNATING PRESUMPTIVE  
11 U.S.C. § 1325(a)(5)(B) INTEREST RATE**

The United States Supreme Court has held that the “prime-plus method” is the proper method to determine the interest rate to be applied to a secured creditor’s claim paid under the “cram down” option of 11 U.S.C. § 1325(a)(5)(B). *Till v. SCS Credit Corp.*, 541 U.S. 465, 124 S.Ct. 1951, 158 L.Ed.2d 787 (2004). The prime-plus method (now commonly known as the “*Till* rate”) begins with the national prime rate, which is then adjusted upward depending on certain risk factors. *Id.* Both the Supreme Court and the Court of Appeals for the Fifth Circuit have observed that the risk enhancement is typically 1% to 3%. *Wells Fargo Bank, N.A. v. Texas Grand Prairie Hotel Realty, L.L.C. (In re Texas Grand Prairie Hotel Realty, L.L.C.)*, 710 F.3d 324, 332 (5<sup>th</sup> Cir. 2013) (citing *Till*, 541 U.S. at 480). As the prime rate of interest is currently 3.25% per annum, an adjustment to the locally recognized *Till* rate is warranted.

Accordingly, for all chapter 13 cases filed on or after August 1, 2020, the presumptive *Till* rate shall be 5.25%. The presumptive rate will be periodically reviewed and adjusted depending on fluctuations in the prime interest rate.

This Order amends and supersedes all previous standing orders and memoranda setting a presumptive *Till* rate in chapter 13 cases.

**SO ORDERED** this 26th day of June, 2020.



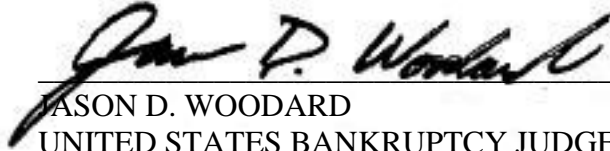
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NEIL P. OLACK  
UNITED STATES BANKRUPTCY JUDGE



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KATHARINE M. SAMSON  
UNITED STATES BANKRUPTCY JUDGE



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JASON D. WOODARD  
UNITED STATES BANKRUPTCY JUDGE



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SELENE D. MADDOX  
UNITED STATES BANKRUPTCY JUDGE