

IN THE UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:) Chapter 11
)
GENERAL MOTORS CORP., et al.,) Case No. 09-50026 (REG)
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)
Debtors.) Auction:
) Sale Hearing: June 30, 2009 at 9:45 a.m. (ET)
) Objections Due: June 19, 2009 at 5:00 p.m.(ET)
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**OBJECTION OF THE COUNTY OF SANTA CLARA TO
PROPOSED SALE OF DEBTORS' ASSETS FREE AND CLEAR
OF LIENS, CLAIMS, ENCUMBRANCES AND INTERESTS, AND
SALE HEARING ("COUNTY'S OBJECTION TO SALE")**

Dated: June 19, 2009

OFFICE OF THE COUNTY COUNSEL
COUNTY OF SANTA CLARA
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I.

INTRODUCTION AND STATEMENT OF FACTS

Debtor, GENERAL MOTORS CORPORATION and certain of its subsidiaries (“Debtor”), filed a Chapter 11 Bankruptcy Petition on or about June 1, 2009. As of January 1, 2009, Debtor owed the County of Santa Clara Tax Collector (the “County”) approximately \$18,659.41, for which the County has filed a Priority Proof of Claim (“County Claim”) under Bankruptcy Code § 507. The consideration for this debt is personal property tax.

The County objects to the Debtor’s request to sell assets free and clear of liens, claims, encumbrances and interests.

II.

MEMORANDUM OF POINTS AND AUTHORITIES

The California Revenue & Taxation Code § 2192 states: “Except as otherwise specifically provided, all tax liens attach annually as of 12:01 a.m. on the first day of January preceding the fiscal year for which the taxes are levied.” Cal. Rev. & Tax. Code § 2192. Based on Section 2192, the County has a lien on the assets that are proposed for sale and objects to the sale of these assets free and clear of liens, claims, and encumbrances. Therefore, the County objects to the Debtor’s request and asks that the County’s tax liens attach to the proceeds of the sale in the event that it is not satisfied in full as a condition of the sale.

