

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

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In re:

FURR'S SUPERMARKETS, INC.,

U.S. BANKRUPTCY COURT
ALEBUQUERQUE, N.M.
Case No. 7-01-10779-SA
Chapter 7

Debtor.

**CHAPTER 7 TRUSTEE'S MOTION TO AMEND HER EMPLOYMENT OF MEYNERS
& CO. AS ACCOUNTANTS FOR THE TRUSTEE**

Yvette J. Gonzales, the Chapter 7 Trustee (the "Trustee"), by counsel, pursuant to 11 U.S.C. § 327(a), requests that the Court allow an amendment of her employment of Meyners & Co. ("Meyners") so the Trustee can have Meyners prepare a certain 1998 Form 1120-X, Amended U.S. Corporation Income Tax Return (the "Amended Return"). In support of this motion the Trustee states:

1. On February 8, 2001, the Debtor Furr's Supermarkets, Inc. ("Furr's") commenced this bankruptcy case by filing a voluntary petition for relief under Chapter 11 of the Bankruptcy Code.
2. On or about October 10, 2001, Furr's filed an application to employ Meyners to perform certain accounting work (the "Original Motion").
3. The case was converted to Chapter 7 on December 19, 2002, and the Trustee was appointed at that time.
4. The Trustee joined in the Original Motion.
5. On March 21, 2002, the Court entered its order approving the employment of Meyners as accountants for Furr's and/or the Trustee (docket #1616) (the "Employment Order"). The employment was for specified tasks and hourly rates, with a maximum fee of \$65,000 (the "Fee Cap").

1/28/03

6. The Trustee recently learned that the estate may be entitled to a substantial refund from the Internal Revenue Service, if the estate files the Amended Tax Return.

7. Pursuant to the letter and addendum attached hereto as Exhibit A, the Trustee would like to employ Meyners to prepare the Amended Tax Return.

8. The Trustee proposes to compensate Meyners at the previously agreed upon hourly rates set forth in the Original Motion and/or Employment Order.

9. The Fee Cap would not apply to the work done by Meyners on the Amended Tax Return.

10. Granting this Amendment Motion is in the best interests of the estate.

WHEREFORE the Trustee requests approval of the Court to amend her employment of Meyners as set forth above, and for all other just and proper relief.

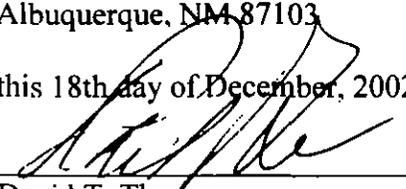
JACOBVITZ, THUMA & WALKER
A Professional Corporation

By: 
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Attorneys for the Chapter 7 Trustee

This certifies that a copy of
the foregoing document was
served by first class mailed on:

United States Trustee
P.O. Box 608
Albuquerque, NM 87103

this 18th day of December, 2002.


David T. Thuma

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MEYNER'S +
COMPANY, LLC
Certified Public Accountant/
Consultants to Business
500 Marquette NW, Suite 400
Albuquerque, New Mexico 87102
P 505/842-8290
F 505/842-1548
E cps@meyners.com

4 November 2002

Furr's Supermarkets, Inc.
c/o Ms. Yvette Gonzales
PO Box 1037
Placitas, NM 87043-1037

Dear Ms. Gonzales:

In 1988, Furr's Supermarkets, Inc. (FSI) generated taxable income. Due to a large net operating loss (NOL) carryforward, FSI was able to reduce this income to zero (\$0) for regular tax purposes. However, for alternative minimum tax purposes, the NOL carryforward was limited to 90 percent of alternative minimum taxable income, resulting in an alternative minimum tax liability of \$168,567.

The Job Creation And Worker Assistance Act of 2002, passed by Congress earlier this year, provides for a temporary suspension of the 90 percent alternative minimum tax limitation for NOLs generated in 2001 and 2002. As a result, the NOL generated by FSI in 2001 can be carried back to 1998 by filing an amended 1998 federal income tax return (Form 1120X), resulting in a tax refund of approximately \$168,567. In order to perform this service for FSI, we will need you to agree with the enclosed Addendum to Agreement for Services and obtain approval for such services by the Court.

Please feel free to contact Ken Majerus, Lisa Flores, or me if you have any questions regarding this matter.

Very truly yours,

MEYNER'S + COMPANY, LLC

Ben L. Darwin, CPA
Principal

BLD/mrh
Enclosures

EXHIBIT

A



MEYNER'S + COMPANY, LLC

ADDENDUM TO
AGREEMENT FOR SERVICES

MEYNER'S + COMPANY, LLC, a New Mexico Limited Liability Company, hereinafter called "CPA," and Furr's Supermarkets, Inc., hereinafter called "Client," for good and valuable consideration, receipt of which is hereby acknowledged, do hereby agree that the Agreement For Services between CPA and Client, dated October 11, 2001 and approved by the Court on March 22, 2002, shall be hereby amended to contain the following additional or amended provisions, effective as of the date appearing below:

1. Preparation of 1998 Form 1120-X, Amended U.S. Corporation Income Tax Return.

DATED: _____

AGREED UPON as of the date set forth above.

MEYNER'S + COMPANY, LLC

FURR'S SUPERMARKETS, INC.

By Ben L. [Signature]

By _____