

PAULA T. DOW
Attorney General of New Jersey
25 Market Street
P.O. Box 106
Trenton, New Jersey 08625-0106
Attorney for State of New Jersey, Division of Taxation

By: Gabriel I. Chacon (GC5144)
Deputy Attorney General
(609) 984-6119

UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

In re:) Chapter 11
)
QUEBECOR WORLD (USA) INC.,) Case No.: 08-10152-JMP
et al.,) Jointly Administered
)
Debtors.) Hearing Date: Dec. 21, 2010
10:00 a.m.

PARTIAL OPPOSITION BY THE STATE OF NEW JERSEY, DIVISION OF
TAXATION TO THE REORGANIZED DEBTORS' THIRTY-EIGHTH OMNIBUS
OBJECTION

The State of New Jersey, Division of Taxation ("N.J. Taxation") opposes in part:

1. The Debtors seek an order expunging N.J. Taxation's administrative claim 5824 and priority claims 5826, 5828, and 5829 based on the assertion that such claims have been satisfied. Because N.J. Taxation has not received payment for any of the priority claims, N.J. Taxation asserts that priority claims 5826, 5828, and 5829 remain valid in full. On the other hand, N.J. Taxation acknowledges that administrative claim 5824—filed in the amount of \$0—can be expunged.

2. On December 1, 2008, N.J. Taxation filed priority claim 5826 for \$123.73 for 12/07 Sales Tax ("SST") owed by Quebecor World Rai, priority claim 5828 for \$857.06 for 12/07 SST owed by Quebecor World Memphis Corp., and priority claim 5829 for \$963.23 for fourth quarter Sales & Use Tax ("S&U") owed by Quebecor World Waukee, Inc.

3. A properly filed proof of claim is prima facie evidence of the validity and the amount of the claim. In re Carlson, 126 F.3d 915, 921-22 (7th Cir. 1997); In re Fullmer, 962 F.2d 1463, 1466 (10th Cir. 1992); Bankr. Rule 3001(f); see In re Allegheny Int'l, Inc., 954 F.2d 167, 173 (3d Cir. 1992).

4. Once a claim is filed, "[t]he burden of going forward then shifts to the objector to produce evidence sufficient to negate the prima facie validity of the filed claim." In re Allegheny Int'l, Inc., 954 F.2d at 173; see also In re Carlson, 126 F.3d at 921; Collier on Bankruptcy, §502.02 (15th ed. rev. 2007) ("When a party objects within the procedural guidelines of [Bankr.] Rule 9014, that party carries the burden of going forward with evidence concerning the validity and the amount of the claim.").

5. Here, the Debtors' counsel argues that N.J. Taxation's priority claims "have previously been paid, resolved or otherwise satisfied by the Debtors prior to the Petition Date, or pursuant to prior orders of the Court, or were, in fact, post-

petition obligations of the Debtors that have been paid in the ordinary course."

6. Nonetheless, Debtors do not produce any evidence of any such payment, nor do N.J. Taxation records show full payment of the taxes underlying these three priority claims. To expedite resolution of this matter, the Debtors should remit payment to Erica Rondinelli, N.J. Division of Taxation, Bankruptcy Section, P.O. Box 245, Trenton, NJ 08695-0245.

For the foregoing reasons, N.J. Taxation respectfully requests that this Court deny the Debtors' objection to priority claims 5826, 5828, and 5829. On the other hand, N.J. Taxation acknowledges that administrative claim 5824—filed in the amount of \$0—can be expunged.

Respectfully submitted,

PAULA T. DOW
ATTORNEY GENERAL OF NEW JERSEY

By: /s/ Gabriel I. Chacon
Gabriel I. Chacon (GC5144)
Deputy Attorney General

Dated: 12/10/2010