

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

In re:

OTB HOLDING LLC, *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 25-52415 (SMS)
) (Jointly Administered)
)
)
) Hearing Date: July 15, 2025, 10:00 a.m. (ET)
) Obj. Deadline: July 14, 2025, 4:00 p.m. (ET)

**NOTICE OF HEARING ON AND DEADLINE TO OBJECT TO
DEBTORS' OBJECTION TO PROOF OF CLAIM NO. 70 FILED BY
THE PENNSYLVANIA DEPARTMENT OF REVENUE**

PLEASE TAKE NOTICE that the above captioned debtors and debtors in possession (collectively the "Debtors") filed the *Debtors' Objection to Proof of Claim No. 70 Filed by the Pennsylvania Department of Revenue* (the "Objection") on June 13, 2025, seeking an order disallowing certain proofs of claim filed by the Pennsylvania Department of Revenue.

PLEASE TAKE FURTHER NOTICE that the Court will hold a hearing on the Objection at **10:00 a.m. (prevailing Eastern Time) on July 15, 2025, in Courtroom 1201, United States Courthouse, 75 Ted Turner Drive, SW, Atlanta, Georgia 30303**, which may be attended in person or via the Court's Virtual Hearing Room. You may join the Virtual Hearing Room through the "Dial-In and Virtual Bankruptcy Hearing Information" link at the top of the homepage of the Court's website, www.ganb.uscourts.gov, or the link on the judge's webpage, which can also be found on the Court's website. Please also review the "Hearing Information" tab on the judge's webpage for further information about the hearing. You should be prepared to appear at the hearing via video, but you may leave your camera in the off position until the Court instructs otherwise. Unrepresented persons who do not have video capability may use the telephone dial-in information on the judge's webpage.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: OTB Holding LLC (3213), OTB Acquisition LLC (8500), OTB Acquisition of New Jersey LLC (1506), OTB Acquisition of Howard County LLC (9865), Mt. Laurel Restaurant Operations LLC (5100), OTB Acquisition of Kansas LLC (9014), OTB Acquisition of Baltimore County, LLC (6963). OTB Holding LLC's service address is One Buckhead Plaza, 3060 Peachtree Road, NW, Atlanta, GA 30305.



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Your rights may be affected by the Court's ruling on these pleadings. You should read these pleadings carefully and discuss them with your attorney, if you have one in this bankruptcy case. (If you do not have an attorney, you may wish to consult one.) If you do not want the Court to grant the relief sought in these pleadings or if you want the Court to consider your views, then you and/or your attorney must attend the hearing. You may also file a written response to the pleadings with the Clerk at the address stated below, but you are not required to do so. **If you file a written reply, you must attach a certificate stating when, how and on whom (including addresses) you served the response. Mail or deliver your response so that it is received by the Clerk by 4:00 p.m. (prevailing Eastern Time) on July 14, 2025.** The address of the Clerk's Office is: Clerk, U. S. Bankruptcy Court, Suite 1340, 75 Ted Turner Drive, SW, Atlanta Georgia 30303. You must also serve a copy of your response on the Debtors' proposed counsel, King & Spalding LLP, 1180 Peachtree Street, NE, Atlanta, Georgia 30309, Attention: Jeffrey R. Dutson, Esq. (email: jdutson@kslaw.com) and Brooke L. Bean, Esq. (email: bbean@kslaw.com) and any other appropriate persons.

Date: June 13, 2025
Atlanta, GA

Respectfully submitted,

KING & SPALDING LLP

/s/ Jeffrey R. Dutson

Jeffrey R. Dutson

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Brooke L. Bean

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Counsel for the Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

In re:)	Chapter 11
)	
OTB HOLDING LLC, <i>et al.</i> , ¹)	Case No. 25-52415 (SMS)
)	
)	
Debtors.)	(Jointly Administered)
_____)	

**DEBTORS' OBJECTION TO PROOF OF CLAIM NO. 70
FILED BY THE PENNSYLVANIA DEPARTMENT OF REVENUE**

THIS IS AN OBJECTION TO YOUR CLAIM. SUBSTANTIVE RIGHTS MAY BE AFFECTED BY THIS OBJECTION AND BY ANY FURTHER OBJECTION THAT MAY BE FILED. PLEASE BE AWARE THAT THE DEBTORS ARE ASKING THE COURT TO DISALLOW CERTAIN OF THE CLAIMS THAT YOU FILED IN THESE CHAPTER 11 CASES.

TO THE EXTENT YOU DISAGREE WITH THE RELIEF SOUGHT IN THE OBJECTION, YOU SHOULD IMMEDIATELY CONTACT THE DEBTORS TO RESOLVE THE DISPUTE. IF YOU DO NOT REACH AN AGREEMENT, YOU MUST FILE A RESPONSE TO THIS OBJECTION AND SEND A COPY OF YOUR RESPONSE TO THE DEBTORS AND THEIR COUNSEL BY JULY 14, 2025 AT 4:00 P.M. (PREVAILING EASTERN TIME). YOUR RESPONSE MUST STATE WHY THE OBJECTION IS NOT VALID. IF YOU DO NOT FILE A RESPONSE BY JULY 14, 2025 AT 4:00 P.M. (PREVAILING EASTERN TIME), YOUR CLAIM MAY BE DISALLOWED, EXPUNGED, OR ELIMINATED WITHOUT FURTHER NOTICE OR HEARING.

THE RELIEF SOUGHT HEREIN IS WITHOUT PREJUDICE TO THE DEBTORS' OR ANY PARTY IN INTEREST'S RIGHTS TO PURSUE FURTHER OBJECTIONS AGAINST THE CLAIM LISTED ON EXHIBIT A TO THIS OBJECTION.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: OTB Holding LLC (3213), OTB Acquisition LLC (8500), OTB Acquisition of New Jersey LLC (1506), OTB Acquisition of Howard County LLC (9865), Mt. Laurel Restaurant Operations LLC (5100), OTB Acquisition of Kansas LLC (9014), OTB Acquisition of Baltimore County, LLC (6963). OTB Holding LLC's service address is One Buckhead Plaza, 3060 Peachtree Road, NW, Atlanta, GA 30305.

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) hereby submit this objection (this “Objection”) to the tax claim filed by the Pennsylvania Department of Revenue (“PA DOR”) described on Exhibit A (the “Tax Claim”) and respectfully represent as follows:

RELIEF REQUESTED

1. By this Objection, the Debtors request entry of an order, substantially in the form attached hereto as Exhibit B (the “Proposed Order”), (a) disallowing the Tax Claim described on Exhibit A pursuant to Rule 3007 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) because the Tax Claim asserts a claim in an amount that is not consistent with the Debtors’ Books and Records (as defined below); and (b) granting any other and further relief that this Court deems just and proper.

JURISDICTION AND VENUE

2. The United States Bankruptcy Court for the Northern District of Georgia, Atlanta Division (the “Court”) has jurisdiction over these cases and this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding within the meaning of 28 U.S.C. § 157(b). Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409(a).

3. The predicates for the relief requested herein are sections 105 and 502 of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), Bankruptcy Rules 3007, Rule 3007-1 of the Local Rules of the United States Bankruptcy Court for the Northern District of Georgia (the “Local Rules”), and the *Second Amended and Restated General Order 26-2019, Procedures for Complex Chapter 11 Cases*, dated February 6, 2023 (the “Complex Case Procedures”).

BACKGROUND

I. The Chapter 11 Cases

4. On March 4, 2025 (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code in the Court. The Debtors have continued in possession of their properties and have continued to operate and manage their business as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request has been made for the appointment of a trustee or examiner in these cases.

5. On March 7, 2025, the Court entered the *Order (I) Directing Joint Administration of Related Chapter 11 Cases and (II) Granting Related Relief* [Docket No. 45] authorizing the joint administration and procedural consolidation of the chapter 11 cases pursuant to Bankruptcy Rule 1015(b).

6. On March 17, 2025, the U.S. Trustee appointed the official committee of unsecured creditors (the “Committee”). See *Appointment and Notice of Appointment of Committee of Creditors Holding Unsecured Claims* [Docket No. 111].

7. On April 2, 2025, the Debtors filed their *Motion Seeking Entry of an Order (I) Setting a Bar Date for Filing Proofs of Claim; (II) Setting an Amended Schedules Bar Date; (III) Setting a Rejection Damages Bar Date; (IV) Approving the Form of and Manner for Filing Proofs of Claim; (V) Approving Notice of the Bar Dates; and (VI) Granting Related Relief* [Docket No. 187] (the “Bar Date Motion”).²

² Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Bar Date Motion.

8. On April 16, 2025, after a hearing, the Court entered the *Order (I) Setting a Bar Date for Filing Proofs of Claim; (II) Setting an Amended Schedules Bar Date; (III) Setting a Rejection Damages Bar Date; (IV) Approving the Form of and Manner for Filing Proofs of Claim; (V) Approving Notice of the Bar Dates; and (VI) Granting Related Relief* [Docket No. 259] (the “Bar Date Order”) that, among other things, (a) established May 29, 2025 at 5:00 p.m. (prevailing Eastern Time) as the last day for creditors that are not governmental units to file proof of claims, proof of interest, and requests for payment of administrative expense claims under Bankruptcy Code section 503(b)(9); (b) established October 21, 2025 at 5:00 p.m. (prevailing Eastern Time) as the last day for creditors that are governmental units to file proofs of claim, proofs of interest, and requests for payment of administrative expense claims under Bankruptcy Code section 503(b)(9); and (c) approved a form of bar date notice, proof of claim form, and other related procedures.

9. In the ordinary course of business, including subsequent to the Petition Date, the Debtors maintained books and records (the “Books and Records”) that reflect, among other things, the Debtors’ liabilities and the amounts owed to their creditors.

10. The factual background relating to the Debtors’ commencement of these cases is set forth in detail in the *Declaration of Jonathan M. Tibus in Support of Chapter 11 Petitions and First Day Pleadings* [Docket No. 18] (the “First Day Declaration”) filed on or about the Petition Date.

BASIS FOR RELIEF REQUESTED AND APPLICABLE AUTHORITY

11. Bankruptcy Code section 502 provides, in pertinent part, that “[a] claim or interest, proof of which is filed under section 501 of [the Bankruptcy Code], is deemed allowed, unless a

party in interest . . . objects.” 11 U.S.C. § 502(a). The debtor has a duty to object to the allowance of any claim that is improper. *See* 11 U.S.C. § 1107(a).

12. When asserting a proof of claim against a bankrupt estate, a claimant must allege facts that, if true, would support a finding that the debtor is legally liable to the claimant. *See In re Allegheny Int’l, Inc.*, 954 F.2d 167, 173 (3d Cir. 1992). Where the claimant alleges sufficient facts to support its claim, its claim is afforded *prima facie* validity. *See id.*; *see also* Bankruptcy Rule 3001(f) (a properly executed and filed proof of claim “constitute[s] *prima facie* evidence of the validity and amount of the claim”).

13. A party wishing to dispute a claim’s validity must produce evidence sufficient to negate the claim’s *prima facie* validity. *See In re Allegheny Int’l, Inc.*, 954 F.2d at 173-74. Once an objecting party produces such evidence, the burden shifts back to the claimant to prove the validity of his or her claim by a preponderance of the evidence. *Id.* at 174; *see also Dollinger v. BV Retail, LLC (In re S&Q Shack, LLC)*, 2015 Bankr. LEXIS 1166, at *6-7 (N.D. Ga. Feb. 13, 2015); *Chambliss v. Oakwood Acceptance Corp. (In re Chambliss)*, 315 B.R. 166, 169 (Bankr. S.D. Ga. 2004). Ultimately, the burden of persuasion is on the claimant. *See In re Moss*, No. 94-11959, 1995 WL 17005342, at *1 (Bankr. S.D. Ga. Sept. 28, 1995).

14. The Debtors object to the Tax Claim described on **Exhibit A** hereto because the Tax Claim asserts a claim in an amount that is not consistent with the Debtors’ Books and Records. Failure to disallow and expunge the Tax Claim may result in the PA DOR receiving an unwarranted and inappropriate recovery against the Debtors on, in certain cases, a priority basis to the detriment of other parties-in-interest. Accordingly, the Debtors request that the Court enter an order disallowing and expunging the Tax Claim.

RESERVATION OF RIGHTS

15. The Debtors reserve the right to supplement this Objection and to object to the Tax Claim, as well as any other claims filed by the PA DOR in the Chapter 11 Cases, on any and all other substantive, non-substantive, legal, or factual grounds. Without limiting the generality of the foregoing, the Debtors specifically reserve the right to amend this Objection, file additional papers in support of this Objection, file a subsequent objection on any ground to the Tax Claim to the extent it is not disallowed in its entirety as requested herein or take other appropriate actions to (a) respond to any allegation or defense that may be raised in a response filed by or on behalf of any claimant or other interested parties, (b) further object to any other claim for which any claimant provides (or attempts to provide) additional documentation or substantiation, or (c) further object to the Tax Claim based on additional information that may be discovered upon further review by the Debtors or through discovery pursuant to the applicable provisions of Part VII of the Bankruptcy Rules. In addition, the Debtors reserve the right to object to all other claims filed in the Chapter 11 Cases.

NOTICE

16. The Debtors will provide notice of this Objection to the PA DOR and all parties on the Limited Service List. The Debtors respectfully submit that such notice is sufficient and proper under the circumstances and that no other or further notice is required.

NO PRIOR REQUEST

17. No previous request for the relief sought herein has been made to this or any other court.

COMPLIANCE WITH LOCAL RULE 3007-1

18. To the best of the Debtors' knowledge and belief, the Objection, including its exhibits, substantially complies with Local Rule 3007-1. To the extent that the Objection does not comply with the requirements of Local Rule 3007-1, the Debtors submit that the deviations are not material and respectfully request that those requirements be waived.

CONCLUSION

WHEREFORE, the Debtors respectfully request that the Court enter the Proposed Order, substantially in the form attached hereto as **Exhibit B**, (a) disallowing and expunging the Tax Claim in its entirety and (b) granting such other relief as the Court deems just, equitable, and proper.

[Remainder of page intentionally left blank]

Date: June 13, 2025
Atlanta, GA

Respectfully submitted,

KING & SPALDING LLP

/s/Jeffrey R. Dutson

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Counsel for the Debtors in Possession

EXHIBIT A

Tax Claim						
Name of Claimant	Debtor	Case Number	Claim Number	Original Priority Claim Amount	Original General Unsecured Claim Amount	Reason for Disallowance
Pennsylvania Department of Revenue	OTB Acquisition LLC	25-52416	70	\$497,612.03	\$262,254.22	Claim asserts estimated and alleged actual taxes for 2015-2016 and 2024. This Claim asserts amounts that are not consistent with the Debtors' Books and Records. Accordingly, the Debtors submit that the estimated amounts set forth in this claim are not applicable and should be disallowed.

EXHIBIT B

Proposed Order

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

In re:)	Chapter 11
)	
OTB HOLDING LLC, <i>et al.</i> , ¹)	Case No. 25-52415 (SMS)
)	
)	
Debtors.)	(Jointly Administered)
_____)	

ORDER SUSTAINING
DEBTORS' OBJECTION TO PROOF OF CLAIM NO. 70
FILED BY THE PENNSYLVANIA DEPARTMENT OF REVENUE

This matter is before the Court on the Debtors' *Objection to Proof of Claim No. 70 Filed by the Pennsylvania Department of Revenue* [Docket No. [●]] (the "Objection") of the above captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order disallowing and expunging the tax claim filed by the Pennsylvania Department of Revenue

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: OTB Holding LLC (3213), OTB Acquisition LLC (8500), OTB Acquisition of New Jersey LLC (1506), OTB Acquisition of Howard County LLC (9865), Mt. Laurel Restaurant Operations LLC (5100), OTB Acquisition of Kansas LLC (9014), OTB Acquisition of Baltimore County, LLC (6963). OTB Holding LLC's service address is One Buckhead Plaza, 3060 Peachtree Road, NW, Atlanta, GA 30305.

identified on **Schedule 1** (the “Tax Claim”) attached hereto, all as more fully set forth in the Objection. All capitalized terms used but not defined herein shall have the meanings given to them in the Objection.

The Court having jurisdiction over the Objection pursuant to 28 U.S.C. §§ 1334 and 157(b), the Objection being a core matter pursuant to 28 U.S.C. § 157(b)(2), the Court having found that venue of this proceeding and the Objection in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Objection is in the best interests of the Debtors’ estates, their creditors, residents and other parties in interest; and the Court being able to enter a final order consistent with Article III of the United States Constitution; and the Debtors having filed a notice setting the Objection and any responses thereto for hearing on [●], 2025 (the “Hearing”); and the Court having found that notice of the Objection and opportunity for hearing on the Objection were appropriate under the circumstances and no other notice need be provided; and the Court having found that all requisite parties-in-interest had an opportunity to file a response to the Objection and attend the Hearing to support any asserted response to the Objection; and no response to the Objection was filed and no creditor or party in interest appeared to oppose the relief requested in the Objection; and the Court having reviewed and considered the Objection and all other matters of record in these chapter 11 cases, including the lack of objection thereto; and it appearing that the relief requested in the Objection is in the best interests of the Debtors, their estates, and their creditors, and that the legal and factual bases set forth in the Objection and at the Hearing establish just cause for the relief granted herein; and after due deliberation thereon; and good and sufficient cause appearing therefor, it is hereby ORDERED that:

1. The Objection is SUSTAINED and GRANTED as set forth herein.
2. The Tax Claim is disallowed and expunged in its entirety.
3. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order.
4. This Court shall retain jurisdiction with respect to any matters, claims, rights, or disputes arising from or relating to the implementation of this Order.

[END OF ORDER]

Prepared and presented by:

/s/Jeffrey R. Dutson

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SCHEDULE 1

Tax Claim						
Name of Claimant	Debtor	Case Number	Claim Number	Original Priority Claim Amount	Original General Unsecured Claim Amount	Reason for Disallowance
Pennsylvania Department of Revenue	OTB Acquisition LLC	25-52416	70	\$497,612.03	\$262,254.22	Claim asserts estimated and alleged actual taxes for 2015-2016 and 2024. This Claim asserts amounts that are not consistent with the Debtors' Books and Records. Accordingly, the Debtors submit that the estimated amounts set forth in this claim are not applicable and should be disallowed.