UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

IN RE: **WELLMADE FLOOR COVERINGS INTERNATIONAL, INC., ET AL.,** **Debtor.**	**CHAPTER 11** **CASE NO. 25-58764-SMS**
THE BARTOW COUNTY TAX COMMISSIONER, **Objector,** **v.** **WELLMADE INDUSTRIES MFR. N.A LLC,** **Respondent.**	**CONTESTED MATTER**

LIMITED OBJECTION TO CONFIRMATION OF DEBTOR'S CHAPTER 11 PLAN

COMES NOW Steve Stewart, in his official capacity as Tax Commissioner for Bartow County, Georgia (the "Tax Commissioner"), through his undersigned counsel, and files this *Limited Objection to Confirmation of Debtor's Chapter 11 Plan* (the "Objection"). In support of the Objection, the Tax Commissioner respectfully shows the Court as follows:

1. This Court has jurisdiction over this case, and the parties and property affected hereby, pursuant to 28 U.S.C. §§ 157(b) and 1334. This proceeding constitutes a core proceeding under 28 U.S.C. § 157.

BACKGROUND

2. The Tax Commissioner holds a claim against Wellmade Industries for unpaid maintenance and operation ("M&O") taxes on the property located at 1 Wellmade Dr, Cartersville, GA 30120 for the years 2022, 2023, and 2024 in the total amount of $95,265.47 (the "Tax Debt").

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3. On August 4, 2025, (the "Petition Date"), Wellmade Floor Coverings International, Inc. ("Wellmade Floor") and Wellmade Industries MFR. N.A LLC ("Wellmade Industries") (each individually a "Debtor", and collectively, the "Debtors") filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101 et seq., (the "Bankruptcy Code"). The Tax Commissioner was not included on the matrix and did not receive notice of either of the chapter 11 bankruptcy cases.

4. On August 7, 2025, the Court entered the *Order (I) Directing Joint Administration of Related Chapter 11 Cases and (II) Granting Related Relief* (Doc. No. 25) authorizing the joint administration and procedural consolidation of the chapter 11 cases pursuant to Bankruptcy Rule 1015(b) under the Case No. 25-58764.[1]

5. On September 11, 2025, Wellmade Industries filed its Summary of Assets and Liabilities, Schedule A/B, Schedule D, Schedules E/F, Schedule G, Schedule H (Industries Doc. No. 14) and Statement of Financial Affairs (Industries Doc. No. 15) (collectively, as amended, the "Schedules"). On September 19, 2025, Wellmade Industries filed an Amendment to Schedules (Industries Doc. No. 18).

6. Wellmade Industries scheduled a priority tax debt for the years 2022-2024 in the amount of $95,265 as owed to the Bartow-Cartersville Joint Development Authority (the "Development Authority").

7. Upon information and belief, Wellmade Industries scheduled the Tax Debt owed to the Tax Commissioner as being owed to the Development Authority.

[1] References to filings in the Wellmade Industries Case No. 25-58760 docket shall be made as "Industries Doc. No. __". References to filings in the Wellmade Flooring Case No. 25-58764 docket under which the cases are jointly administered shall be made as "Doc. No. __".

8. On September 26, 2025, Debtors filed their *Motion of the Debtors for Entry of an Order (A) Approving Private Sale of the Debtors Assets Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (C) Granting Related Relief* (Doc. No. 194) (the "Sale Motion") and a Notice of Hearing on the Sale Motion (Doc. No. 199).

9. The Tax Commissioner was not served with the Sale Motion or the Notice of Hearing thereon. See *Certificate of Service* (Doc. No. 204).

10. The Tax Debt is secured by a statutory lien on all property of Wellmade Industries, including the assets which the Debtors requested authority to sell in the Sale Motion (the "Assets"). See O.C.G.A. § 48-2-56.

11. On October 8, 2025, the Court entered its *Order (A) Approving the Private Sale of the Debtors' Assets Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (C) Granting Related Relief* (Doc. No. 220) (the "Sale Order").

12. The Sale Order provided that the Assets may be sold free and clear of all liens other than Permitted Liens. *Sale Order* at 28. The Purchase Agreement, as defined in the Sale Order and attached thereto as Exhibit A, defines Permitted Liens as including "Liens (a) for Taxes not yet delinquent or which are being contested in good faith by appropriate proceedings and, in either case, to the extent reserved on the books and records of the applicable Seller." *Sale Order* at 57.

13. The Sale Order provided that liens on the Assets, other than Permitted Liens, shall "attach to any net proceeds received by the Sellers ultimately attributable to the Acquired Assets against, or in, which such Claims or Liens are asserted, subject to the terms thereof, with the same validity, force, and effect, and in the same order of priority, which such Claims or Liens now have

against the Acquired Assets, subject to any rights, claims, and defenses that the Sellers and their estates, as applicable, may possess with respect thereto." *Sale Order* at 29.

14. On November 11, 2025, Debtors filed a *Notice of Closing of Sale of Debtors' Assets and Repayment of DIP Obligations* (Doc. No. 259) stating the sale of the Assets closed on November 7, 2025.

15. On June 1, 2026, Debtors filed their *Chapter 11 Plan* (Doc. No. 385) (the "Plan") and *Disclosure Statement for Chapter 11 Plan* (Doc. No. 386).

16. On June 2, 2026, Debtors filed their *Motion for Entry of an Order (A) Conditionally Approving the Disclosure Statement, (B) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject the Plan, (C) Approving the Form of Ballot and Solicitation Materials, (D) Establishing Voting Record Date, (E) Fixing the Date, Time, and Place for the Hearing on Final Approval of the Disclosure Statement and Confirmation of the Plan and the Deadline for Filing Objections Thereto, and (F) Approving Related Notice Procedures and Deadlines* (Doc. No. 387).

17. On July 22, 2026, the Court entered its *Order (A) Conditionally Approving the Disclosure Statement, (B) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject the Plan, (C) Approving the Form of Ballot and Solicitation Materials, (D) Establishing Voting Record Date, (E) Fixing the Date, Time, and Place for the Hearing on Confirmation of the Plan and the Deadline for Filing Objections Thereto, and (F) Approving Related Notice Procedures and Deadlines* (Doc. No. 463).

18. Also on July 22, 2026, Debtors' filed their *Amended Disclosure Statement for Debtors' Chapter 11 Plan* (Doc. No. 464) (as amended, the "Disclosure Statement") and *Notice of (I) Confirmation Hearing with Respect to the Debtors' Chapter 11 Plan and Disclosure Statement*

in Connection Therewith and (II) Related Objection Deadline (Doc. No. 465) (the "Notice of Confirmation Hearing").

19. Pursuant to the Notice of Confirmation Hearing, the Court will hold a hearing to consider final approval of the Amended Disclosure Statement and confirmation of the Plan on August 27, 2026 at 10:00 a.m. The deadline to object to final approval of the Disclosure Statement or confirmation of the Plan is August 20, 2026 at 4:00 p.m.

20. On August 17, 2026, Debtors filed a Certificate of Service (Doc. No. 482) indicating service of the Solicitation Package and the Non-Voting Package, as defined therein.

21. The Tax Commissioner was not served with the Plan, the Disclosure Statement, the Notice of Hearing, or any other solicitation materials. See Doc. No. 482.

ARGUMENT AND OBJECTION

22. Proper notice to creditors is a fundamental requirement of bankruptcy proceedings and is mandated by 11 U.S.C. § 342 and Federal Rule of Bankruptcy Procedure 2002.

23. The failure to provide the Tax Commissioner with notice of the bankruptcy case and the plan confirmation hearing violates the Tax Commissioner's due process rights and deprives the Tax Commissioner of the opportunity to participate meaningfully in these proceedings.

24. The Tax Commissioner holds a secured, priority claim in the amount of $95,265.47.

25. The plan fails to adequately address the Tax Commissioner's claim.

26. The Tax Commissioner requires confirmation that any plan confirmed in this case will provide for payment in full of the Tax Commissioner's claim, plus interest at the appropriate rate under the Plan.

27. The Tax Commissioner further requires that the Plan provide for retention of and preserve the Tax Commissioner's lien on the proceeds from the sale of the Assets and provide for appropriate distribution of such proceeds to the Tax Commissioner.

28. The Tax Commissioner reserves the right to bring any additional objections that may be discovered and join in any objections brought by any other party.

WHEREFORE, for the reasons stated above, the Tax Commissioner requests that confirmation be denied.

Respectfully submitted this 20th day of August, 2026.

JONES & WALDEN LLC

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CERTIFICATE OF SERVICE

This is to certify that on August 20, 2026, the *Limited Objection to Confirmation of Debtor's Chapter 11 Plan* ("Objection") was electronically entered using the Bankruptcy Court's Electronic Case Filing program, which sends a notice of and an accompanying link to the Objection to the following parties who have appeared in this case under the Bankruptcy Court's Electronic Case Filing Program:

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I further certify that I caused a copy of the Objection via U.S. Mail, postage prepaid to the parties below:

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19150 SW 125th CT
Tualatin, OR 97062

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1 Wellmade Drive NE
Cartersville, GA 30321

This 20th day of August, 2026.

JONES & WALDEN LLC

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