

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

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In re: : Chapter 11
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Saga Formations, Inc., :
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Case No. 24-11161
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(BLS)
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Liquidating Debtor. : (Jointly Administered)
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Obj. Deadline: 8/27/25 at 4:00 p.m. (ET)
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Hearing Date: 9/24/25 at 11:00 a.m. (ET)
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**RESPONSE BY THE TENNESSEE DEPARTMENT OF REVENUE TO THE
TRUSTEE'S FIRST OMNIBUS OBJECTION TO CLAIMS**

The Tennessee Attorney General, Jonathan Skrmetti, through undersigned counsel, on behalf of the Tennessee Department of Revenue (TDOR) respectfully files this Response to the Trustee's First Omnibus Objection to Claims.

IN SUPPORT THEREOF, it will be shown as follows:

1. The Department is a tax creditor.
2. The Trustee has objected to the Department's claim, numbered 218 in the amount of \$43,380.66. The Department's claim is made up of true returns and estimates due to the taxpayer's failure to file certain tax returns. The Trustee proposes to reduce the Department's claims and asserts that the basis for the objection and reduction is that the Debtor's sales tax records, according to the Debtor's service vendor, Avalara, Inc., show that all Tennessee sales tax for the claimed period is only \$15,084.94. The Department objects to the disallowance and reduction of claim 218.
3. Pursuant to T.C.A. §67-1-1438, the Department is authorized to generate an



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estimated assessment for tax liability where a taxpayer fails to file a return. The assessment is presumed correct unless the taxpayer submits returns or other evidence of the liability.

4. A proof of claim is prima facie evidence of the validity and amount of the claim.

Fed.RulesBankr.Proc.Rule 3001(f), 11 U.S.C.A. The Trustee has not provided any evidence to rebut the validity of the claim.

THEREFORE, the Department requests that the Court enter an Order overruling the Trustee's Objection and reduction to the Department's claim numbered 218 and allowing the claim as filed, and such further relief as the Court deems appropriate to protect the State of Tennessee.

This the 20th day of August, 2025.

Respectfully Submitted,

Tennessee Attorney General & Reporter
JONATHAN SKRMETTI

/s/ Laura L. McCloud
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Attorney for the Tennessee Department of
Revenue

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was sent electronically to all parties receiving electronic notice on August 20, 2025.

/s/ Laura L. McCloud
LAURA L. MCCLOUD (TN BPR 16206)
Senior Assistant Attorney General