UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF INDIANA INDIANAPOLIS DIVISION

OLD NATIONAL BANK, N.A,)
)
Plaintiff,)
)
v .)
)
ST. PAUL BAPTIST CHURCH, INC.,) CASE NO. 1:08-cv-1178-DFH-TAB
UNITED STATES DEPARTMENT OF)
TREASURY, INTERNAL REVENUE)
SERVICE, and BRADLEY W. SKOLNIK)
in his capacity as the Receiver of)
Alanar, Inc.,)
)
Defendant.)

ENTRY ON MOTION FOR LEAVE TO MAKE DEPOSIT INTO COURT

Plaintiff Old National Bank filed this interpleader action and has moved for leave to deposit the disputed sum with the court. Old National also wishes to deduct from the disputed sum its attorney fees and costs. The disputed sum in Old National's custody is \$20,110.34. Old National seeks fees and costs of \$4,939.43, leaving \$15,170.91 for the claimants to contest.

The United States government objects to any deduction for attorney fees and costs, and the government has the better of this argument. See *Campagna-Turano Bakery, Inc. v. United States*, 632 F.2d 39, 41 (7th Cir. 1980) (holding that a court may not diminish the amount available for satisfaction of a federal tax lien by awarding costs and attorney fees to an interpleading plaintiff).

Accordingly, Old National's motion is granted to the extent that Old National shall deposit with the court the sum of \$20,110.34 (or, if the passage of time has increased that amount with additional interest, the total amount available). Upon making that deposit, and without further action by the court, plaintiff Old National Bank NA shall be discharged from any and all liability in this action, and the defendants shall be enjoined from instituting any other action against plaintiff for recovery of all or any part of the deposit.

So ordered.

Date: December 11, 2008

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DAVID F. HAMILTON, CHIEF JUDGE United States District Court Southern District of Indiana

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