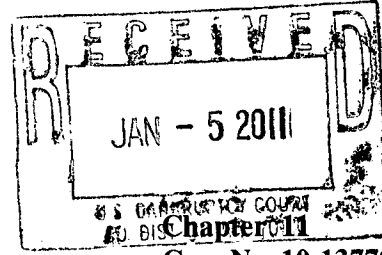


**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

----- X

In Re:

Jennifer Convertibles Inc.



Case No. 10-13779

Debtor(s).

----- X

PROOF OF CLAIM

1. Debtor, Jennifer Convertibles Inc. was at and before the filing by or against this debtor of the original petition in bankruptcy, and still is, justly and truly indebted or liable to the City of New York Department of Finance in the sum of **\$138,859.00** dollars plus interest and penalties through the filing of the petition herein (at the rate set forth in the Administrative Code of the City of New York for such taxes) for the taxes on the schedule attached hereto and made a part hereof. (B&A Claim No.10S-0156-NI)
2. That the consideration of this debt or liability is the NYC Administrative Code statutory tax liability set forth in the schedule attached hereto and made a part hereof.
3. That no part of the debt or liability has been paid,
4. That there are no set-offs or counterclaims to the debt or liability,
5. That the City of New York does not hold, and has not, nor has any person by its order, or to the knowledge or belief of the undersigned, for its use, had or received, any security or securities for the debt or liability,
6. That no note or other negotiable instrument has been received for such account or liability or any part hereof; and that no judgment has been rendered thereon, except that a warrant or warrants for taxes were filed against the debtor as indicated on the attached schedule.
7. That demand is hereby made that the aforesaid claim be allowed and paid in full as a priority claim in advance of any distribution to creditors; and furthermore, that the said claim be entitled to the rights of a lien claimant, if applicable, pursuant to the provisions of the Administrative Code of the City of New York and the Bankruptcy Code.
8. That the said City of New York, by its duly constituted authorities has by this claim, to the extent not previously made by any assessment or notice of deficiency, duly made the assessment and to the extent not previously issued this claim, shall constitute any required notice of deficiency, pursuant to the provisions of the Administrative Code of the City of NY enacted for the collection of taxes set forth herein.

RECEIVED

JAN 07 2011

BMC GROUP



9. That in accordance with subdivision b of section 546 of the Bankruptcy Code, the City of New York Department of Finance hereby perfects the lien of the taxes set forth on the attached schedule.

The undersigned, Saul T. Fishman, of counsel to the Special Assistant Corporation Counsel for Legal Affairs for the NYC Department of Finance, files this Proof of Claim for the unpaid taxes set forth on the schedule attached on behalf of the City of New York Department of Finance ("DOF").

10. Please make check **payable** to NYC Department of Finance and **mail** to:

NYC Department of Finance
TAPE Division
345 Adams Street, 5th Floor
Brooklyn, New York 11201

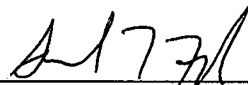
ATTENTION: Yehuda Miller - Bankruptcy Unit

Penalty For Presenting Fraudulent Claims – Fine of not more than \$5,000 or imprisonment or no more than five years, or both – Title 18, U.S.C., § 152.

Dated: December 21, 2010
Brooklyn, New York

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK
One Bowling Green
New York, NY 10004-1408

By: _____


Saul T. Fishman, Of Counsel to the
Special Assistant Corporation Counsel
345 Adams Street – 3rd Floor
Brooklyn, New York 11201

In the Matter of : Jennifer Convertibles Inc.

Case No.: 10-13779

B & A Claim No.:10S-0156-NI

Schedule of Taxes Due by debtor in possession based on returns filed, external indices, audit, estimated taxes. The City of New York, by its duly constituted authorities has by this claim, to the extent not previously made by any assessment or notice of deficiency, duly made the assessment and to the extent not previously issued this claim shall constitute any required notice of deficiency, pursuant to the provisions of the Administrative Code of the City of NY enacted for the collection of taxes set forth herein.

TAX DEFICIENCY					
Pursuant to Title 11 of the Administrative Code of the City of New York					
TYPE OF TAX	PERIOD	PRINCIPAL	INTEREST	PENALTY	TOTAL
General Corporation	9/1/09 – 7/18/10	\$2,858.00	\$286.00	\$715.00	\$3,859.00
Commercial Rent	6/1/00 – 7/18/10	\$100,000.00	\$10,000.00	\$25,000.00	\$135,000.00
	-				\$0.00
	-				\$0.00
	-				\$0.00
	-				\$0.00
TOTAL DUE		\$102,858.00	\$10,286.00	\$25,715.00	\$138,859.00

DETAIL OF WARRANT(S) ON FILE					
TYPE OF TAX / WARRANT	PERIOD	PRINCIPAL	INTEREST	PENALTY	TOTAL
/	-				\$0.00
/	-				\$0.00
/	-				\$0.00
/	-				\$0.00
/	-				\$0.00
/	-				\$0.00
WARRANT TOTAL DUE		\$0.00	\$0.00	\$0.00	\$0.00



FINANCE
NEW • YORK
THE CITY OF NEW YORK
DEPARTMENT OF FINANCE

January 4, 2011

Clerks Office
United States Bankruptcy Court
Southern District of New York
One Bowling Green, 5th Floor
New York, New York 10004-1408

Re: Debtor

Case Number

JENNIFER CONVERTIBLES INC.

10-13779

Enclosed please find an original and one copy of the proof of claim, to be filed in the above-referenced bankruptcy matter. Kindly file the original and return the annexed copies with the date of filing stamped thereon. Enclosed is a stamped envelope for your convenience.

Thank you.

Very truly yours,

Saul Fishman

Saul Fishman, of counsel
to the
Deputy Commissioner
for Legal Affairs
Department of Finance
345 Adams Street
Brooklyn, New York 11201

