

## Title:

Bankruptcy - The Last Resort

## Word Count:

486

## Summary:

Is Bankruptcy the best way out of debt? Answers to what it means to be in such a position and how to avoid bankruptcy.

## Keywords:

Bankruptcy, Bankruptcy, Debt Consolidation, Consumer Credit Counseling Service, Mortgage Bankruptcy, Mortgage

## Article Body:

If you have been in debt before, you understand how it feels. Debt can feel like an elephant on your shoulders day in, and day out. Many people feel as if there is no hope when you feel you owe your soul to creditors and collectors. Bankruptcy seems to be the only choice at this point whether for your business or for you personally. Is Bankruptcy the choice you should take?

That question is not so easily answered and there may be many things that the general public does not necessarily understand about bankruptcy. Bankruptcy, for the most part, is a societal and governmental means to finding the right solution for your debts when all else has failed. As it stands now, if you file for bankruptcy and are granted bankruptcy, you most definitely deserve it. The laws that govern the various types of bankruptcy make it almost impossible for someone to claim if they don't necessarily need to. The amount of paperwork has increased, the court fees have increased, and the overall trouble to file has made it quite a struggle for just anyone to qualify for bankruptcy.

Before such action is taken, there are programs to help you get out of debt such as debt consolidation and consumer credit counseling services. These types of services consolidate your debts in to a small, structured payment plan. These services somewhat mimic the same concepts that bankruptcy to get you out of debt. For example, if you file for chapter 13 bankruptcy, all your debts are to be paid off in a structured payment period of between 3-5 years. Often times, like debt consolidation, the amount you end up paying is less than what you originally owed. You get to keep your possessions and your debt is cleared.

So which method of getting out of debt should you take? It should be

situational and based on every individuals specific case. Probably the best method would be to speak with a credit counselor in regards to your personal debts. Understanding your debt and the options to you are usually the primary step in making a wise decision about your credit. If your debt is beyond help and you've exhausted all other methods, maybe you should consider bankruptcy.

One major thing to remember is that you should never be ashamed to claim bankruptcy. Individuals get caught in the preditorial credit trap and have sales people pushing credit cards in their face every time they shop. We are not taught in school about finances as much as we should be. We are not prepared for the "big business" world when we graduate high school and we definitely know nothing about living on our own. The good part is that there are a number of institutional answers and guidance which are available to every consumer nationwide. The worst thing you can do about your debt is to do nothing at all.