

Tips on filing for Bankruptcy

Not a lot of people want to make the decision of when to file bankruptcy, but you'll also find that there is some point where it just may have to be done. You'll want to keep in mind that bankruptcy will affect your credit rating and you'll also have other ramifications.

Filing bankruptcy should only be a last resort when all other options have failed you. But when should you consider filing for bankruptcy?

You may also want to file bankruptcy when you are constantly borrowing money from one credit source to pay another credit source. If you need to start taking cash advances of more than \$500 just to pay for living expenses.

You borrow to meet regular expenses like food and utility bills. You have stopped answering your phone because the only calls you receive now are from creditors.

Are there creditors that are threatening to sue you? They have even already taken some legal action against you. You will find that these all are signs that there is something terribly wrong and these are signs that you may want to consider filing a bankruptcy.

Then it comes to the decision of what sort of bankruptcy you need to file for. The most common are chapter 7 and chapter 13. With a chapter 7, you will find that it will wipe all your debt clean and it will also give you that immediate fresh start. Chapter 13, you will be making payments for three to five years.

However, you need to make sure that you consider filing for bankruptcy when you have gone through all of your other options. You'll need to make sure that you think about your financials as practical situations. You will also find that if you get some professional advice from a bankruptcy lawyer they will tell you what your options are and also get the bankruptcy filing going if that is your last option.