

Title:

Get To Know The Bankruptcy Filing Process If This Is Your Option

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Summary:

Filing for bankruptcy is a very personal decision. By declaring bankruptcy and filing a petition with U.S. Bankruptcy Court, the bankruptcy filer will be protected and relief from debts under the Bankruptcy Code. If bankruptcy is your only option, then by understanding the process of filing bankruptcy will get you more prepare to face it. This article will walk through with you the general process of filing a bankruptcy.

Keywords:

bankruptcy, bankruptcy filling, filling process, chapter 7, chapter 13, bankrupt process, petition

Article Body:

Filing for bankruptcy is a very personal decision. Heavy debtors may choose to file a bankruptcy if they see no other way out from their heavy debts. By declaring bankruptcy and filing a petition with U.S. Bankruptcy Court, the bankruptcy filer will be protected and relief from debts under the Bankruptcy Code.

Bankruptcy filing should be you last option if there are no better options available, because the consequences of filing a bankruptcy will follow you for 7 to 10 years. If bankruptcy is your only option, then by understanding the process of filing bankruptcy will get you more prepare to face it. Bankruptcy procedure and exemptions may vary from one state to another state. This article will walk through with you the general process of filing a bankruptcy.

The first part of the bankruptcy filing process is collecting your personal financial information. This includes your existing secured and unsecured debts and tax returns for past two years. Prepare all your deed documents which include real estate you own, car title, land title and other loan documents. You may want to order your credit report, it will provides you some helpful information on your past records.

Then, you either assign a bankruptcy attorney or you can choose to file the bankruptcy yourself. If you choose to file the bankruptcy yourself, you need to

get the bankruptcy forms (you can get these forms online) and get them fill up. You have to fill in your current financial status and recent financial transactions (within last 2 years) into the bankruptcy forms. At the mean time, you need to decide to file under what type of bankruptcy; there two commons types which are Chapter 7 and Chapter 13, chapter 7 bankruptcy is the preferred one, but not all are eligible to file under chapter 7. If you choose to file under chapter 13, you need to enclose your proposed repayment plan with your petition. Once the bankruptcy petition is completed you will need to file the petition with your local United States bankruptcy court. If you have assigned a bankruptcy attorney to handle your bankruptcy case, the attorney will help you and guide you through the above process.

Once you have submitted your petition to the bankruptcy court, you will be immediately protected under the bankruptcy code. Your creditors are not allowed to make direct contact with you or making a claim to any of your property from the date of filing. About 1 month later, the trustee will call a first meeting with all your creditors and your creditors's lawyer. Objections are typically resolved by negotiation between you as the debtor and your creditors. If there is no challenge raises in the meeting, you should receive a notice from court after 4 to 6 months stated that your bankruptcy has been discharged; otherwise, if compromise can be reached by all parties, a judge will intervene.

In Summary

Bankruptcy filling is a long process, it may takes up 6 months to a few years if a court case involve. You must be prepared to face it and if you have no confidence to get through yourself, it's better to assign an attorney to handle the bankruptcy process.