What is bankruptcy?

Bankruptcy is an opportunity for people who are experiencing financial difficulties to obtain a fresh start. Bankruptcy is afforded to the honest and unfortunate as a means, via federal law, to start over or otherwise reorganize their debts.

What can bankruptcy do for me?

Bankruptcy can do a number of things for those in financial duress, including but not limited to: getting rid of credit card debt and medical bills, stopping foreclosure actions, wage garnishments, and other forms of creditor harassment. More than anything, bankruptcy affords people the opportunity to rest peacefully and begin anew.

How can I get a copy of a bankruptcy filing?

Bankruptcy filings are done electronically through the federal court system. Although a matter of public record, they are not “advertised” so to speak. Bankruptcy filings are easily obtained by any bankruptcy attorney or other person familiar with the electronic sytem.

What doesn’t bankruptcy do?

Bankruptcy does not afford relief to those trying to take advantage of the system. Fraudulent behaviors and actions are vigorously prosecuted both criminally and civilly. Again, bankruptcy relief is only afforded to those who are honest and unfortunate…not those looking to pull a fast one on the system.

How often can I file bankruptcy?

It depends. Generally speaking, a person may receive a discharge in bankruptcy every eight years. However, in some cases a person may be looking to reorganize their debts as opposed to getting rid of them. Therefore, there is no blanket rule that applies to all bankruptcy filings. Every case is very fact specific as far as goals and eligibility.

What different types of bankruptcy should I consider?

The two most common types of bankruptcy that people consider are Chapter 7 and Chapter 13. Chapter 7, which is known as a liquidation, is an opportunity to discharge (or get rid of) creditors without having to pay any money back. Chapter 13, which is known as a reorganization, is a three to five year plan of repaying creditors, most commonly invoked to try and save a home or vehicle from foreclosure or repossession.

Is New Jersey chapter 7 bankruptcy right for me?

There are many factors that apply to whether a Chapter 7 is appropriate for an individual. The most important considerations pertain to whether the assets a person wishes to keep (like a home, vehicle, personal injury claim, etc..) would be protected under a Chapter 7 liquidation analysis. There is also an income test that a person must meet in order to qualify. It is imperative that a person speaks with a bankruptcy attorney in order to evaluate these considerations before filing.

Is New Jersey Chapter 13 bankruptcy right for me?

A Chapter 13 is the means by which we are able to stop a foreclosure, wage garnishment, bank levy or repossession in its tracks. It allows a debtor the opportunity to reorganize their debts and pay back arrearages on their important assets interest free over a three to five year period. A Chapter 13 is also a means for folks who may earn more than a Chapter 7 eligibility would allow to repay a portion of their unsecured debt over time. There are other forms of relief a Chapter 13 can accomplish that would be reviewed, such as income tax debt and discharging second mortgages or home equity lines of credit, that would be reviewed with you by an experienced bankruptcy attorney.

What does it cost to file bankruptcy?

A Chapter 13 is more involved and, therefore, more expensive than a Chapter 7 bankruptcy. Depending on the level of representation a person seeks, fees may vary between attorneys. However, most any professional will offer payment plans with respect to said fees and costs.

In New Jersey what property can I keep?

This answer depends on a complete and thorough analysis of a person’s assets and liabilities. The bankruptcy laws afford debtors certain exemptions – or protections – against their property in order to keep it. Sometimes the value of property can be in excess of these exemptions, which is the reason why a liquidation analysis is so imperative to whether a person qualifies for a Chapter 7 or Chapter 13 bankruptcy. A person should only be filing a Chapter 7 bankruptcy if there is complete certainty that those assets – most importantly a home – are protected.