



# CHAPTER 7 BANKRUPTCY

## My Wages Are Being Garnished By a Creditor To Whom I Owe Money; Can Legal Aid Help Me With a Bankruptcy?

If you are financially eligible to receive Legal Aid's services, we may be able to represent you in filing a Chapter 7 bankruptcy to protect your wages.



### What Would This Involve?

First, we would need to determine that:

- You had not filed a Chapter 7 bankruptcy and received a discharge of your debts in the last 8 years;
- You do not own a home and/or land that is paid for and that you wish to keep;
- You do not own a vehicle that you want to keep which is paid for and worth more than \$6000;

Second, you would need to:

- Provide us with a complete list of everyone to whom you owe money, lists of your monthly income and expenses, state and federal tax returns for the previous two years and pay records for the past three months;
- Complete an online credit briefing; and
- Appear in Court at a Meeting of Creditors.

### Would All My Debts Be Discharged In a Chapter 7 Bankruptcy?

Certain debts cannot be discharged in bankruptcy. These are debts for child and spousal support, most student loans, criminal court fines and some taxes.

*This is legal information. If you want legal advice that is specific to your situation, you need to contact an attorney. To find out if you are eligible for free legal advice or representation, you can contact Southwest Virginia Legal Aid at [www.svlas.org](http://www.svlas.org) or you can call toll free at 1-888-201-2772.*



# CHAPTER 13 BANKRUPTCY

## I Am Behind on My House Payments and/or Car Payments And The Creditors Are Threatening to Foreclose On My Home and/or Repossess My Vehicle; Can Legal Aid Help Me With a Bankruptcy?

If you are financially eligible to receive Legal Aid's services, we may be able to represent you in filing a Chapter 13 bankruptcy to give you a chance to catch up on your house or car payments or both.



### What Would This Involve?

If you wish to keep your home, we would need to help you propose a Plan to pay over 3 to 5 years:

- Your regular monthly house payment;
- An additional monthly payment to catch up on your missed house payments;
- The balance owed on any vehicle; and
- A monthly payment to cover a portion of your other debts like medical bills and credit cards

You would need to provide the Chapter 13 Trustee and the Judge with documentation showing that you had enough income to afford to make the payments you proposed as well as your ordinary monthly living expenses. Otherwise, your Plan will not be approved and your bankruptcy case would be dismissed.

### What Else Would I Have To Do?

You would need to:

- Provide us with a complete list of everyone to whom you owe money as well as detailed lists of your monthly income and expenses, your state and federal tax returns for the previous two years and pay records for the last three months;
- Complete an on-line credit briefing; and
- Appear in Court at a Meeting of Creditors.

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