

## Do I need a lawyer to file bankruptcy?

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Can't I just file bankruptcy without a lawyer and save all that money? The short answer is that you can but probably shouldn't. Why is that?



**This short answer is that filing a bankruptcy could cost you lots more money than attorney fees would have been.**

**Why once again?** Filing bankruptcy is much more than filing out forms and filing them with the court. Prior to that, there is much to analyze and to make decisions about in order to determine your best course of action, and if it's to file bankruptcy what "chapter" to file. Several times in the past I've been contacted by people who filed on their own and were now calling me to see if I could fix their serious problems. Sometimes I could and sometimes I couldn't. Here are some results of no-attorney filing that I've seen:

- **They had assets they didn't consider.** For example, the right to sue someone is an asset even though you haven't filed the lawsuit. If you file a Chapter 7 bankruptcy, the bankruptcy trustee gets the benefit of that right to sue, for the benefit of your creditors. There are many other assets people don't think about.
- **They had recently paid back family members money they owned them.** The bankruptcy trustee might sue those family members to get that money back for the benefit of your other creditors. Yes, this happens.
- **They had given away valuable items to others,** for example transferring title to a car to a relative or friend. The bankruptcy trustee might be able to get that car back based in it being a "fraudulent transfer". Don't know what that is? Of course you don't, but an experienced bankruptcy attorney does.

**That's a very short list of trouble that filing bankruptcy by yourself (or with a paralegal; they can't provide legal help) might create.** Also note that according to the New York City Bankruptcy Assistance Project, "Since the bankruptcy laws were changed in 2005, it is VERY HARD to file a bankruptcy petition without an attorney. The process is difficult and you may lose property or other rights if you do not know the law. Currently, about 9 out of 10 self-prepared bankruptcy petitions are being dismissed—that is, the debtor does not get relief from their debts."

[Why is bankruptcy so complicated and expensive?](#)

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[Beware cut-rate bankruptcy advice. \(msn Money article\)](#)

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