

## Does my discharged-in-bankruptcy debt stay gone forever?

Many clients ask me if the debt that's discharged (eliminated) in bankruptcy will stay gone forever.

- The simple and correct answer is Yes. But that really isn't the whole story.
- When your bankruptcy case is filed, all collection actions against you are stopped by the "Automatic Stay" against your creditors. Once you get your discharge of debts, those debts are gone and no "stay" is needed.
- Your personal liability for those debts is gone, meaning that those creditors can't sue you and get a judgment to collect those debts. This continues forever.
- Some debts are not discharged. These include child support, recent taxes, and judgments for personal injury caused by drunk driving.
- If a lender has a property interest (called a "lien") along with a loan, such as a car loan or home mortgage, that lien remains in place. Which means, in general, that you must keep making payments on those loans if you want to keep the property (car or home).



There you have it, the simple version of this issue. There are more details that your bankruptcy lawyer should discuss with you if your situation warrants it.

### Can I keep my house and car if I file bankruptcy?

Malcolm Ruthven  
Attorney at Law  
San Francisco Bay Area  
415.342.4666 Fax 415.869.6645  
[mruthven@mruthvenlaw.com](mailto:mruthven@mruthvenlaw.com)  
[ca-bklaw.com](http://ca-bklaw.com)



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