

I owe too much money to file bankruptcy. Wrong!

Why do some people think this is true? After all, you read about large corporations that owe many millions filing bankruptcy. Whatever the reason, it's just not true. Let's take a look at what is true...



- In a **Chapter 7** bankruptcy, the type people usually are thinking about that gets rid of your debts quickly, **there is no debt limit**.
- In a **Chapter 13** bankruptcy (payment plan type for individuals), **there are debt limits** of \$383,175 for unsecured debts (like credit card debt and most bills) and \$1,149,525 for secured debts (like car loans and house mortgages). What happens if you're over those limits? Chapter 7 and Chapter 11 are available. See your bankruptcy attorney to discuss this.
- In a **Chapter 11** bankruptcy (a more complex and expensive payment plan type), **there are no debt limits**.
- **There is a practical limit to the assets (not debts) you own (not owe) that are valued above what you owe on them.** If it's "too high", you might have to pay back more than you want to your creditors in any type of bankruptcy. Again, see your bankruptcy attorney to discuss this.

I hope that puts that myth to rest.

If you're in debt and don't see a way out, read this article.

Malcolm Ruthven
Attorney at Law
San Francisco Bay Area
415.342.4666 Fax 415.869.6645
mruthven@mruthvenlaw.com
ca-bklaw.com



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