

If I file bankruptcy, will I lose the things I own?

The short answers are "probably not" and "it depends". Let's expand on those short answers.

- **The vast majority of people** who file a Chapter 7 bankruptcy, the type that gets rid of your debts quickly, **get to keep all their stuff**.
- **You get to keep everything you can "exempt"**, which means to protect it from the bankruptcy trustee. You get exemptions for many things.
- **Homestead exemption** - Protects your equity in your home. In California this exemption varies from \$75,000 to \$175,000, depending on your age and other factors.
- **Other specific exemptions** - There are exemptions for cars, household furnishings, clothes, jewelry, etc.
- **"Wildcard" exemption** - In California, if you don't have to exempt equity in your home, you get a \$28,000 exemption you can use for anything or any parts of many things.



So between the different exemptions above, you'll probably be able to exempt (protect) everything you own. If not, you may consider a Chapter 13 (payment plan) bankruptcy which allows you to keep everything.

As you can see, exemptions are very important and also complex. Do yourself a big favor and get a consultation with an experienced bankruptcy attorney in your area to see if you'll be able to keep everything in a Chapter 7 or if a Chapter 13 might be better for you.

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

How much money can I keep in my checking account when filing bankruptcy?

Will I lose my retirement accounts if I file bankruptcy?

If I file for bankruptcy, will I lose everything I have?

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