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TO CLIENT: copies of the following documents are required to file bankruptcy:

- CHAPTER 7 requires all the documents Chapter 13 requires plus the prior 6 months of bank statements**
- Bank Statements** for all open bank accounts (including any joint accounts) for the previous six months
- CHAPTER 7 and 13,**
- Household income*** The Court needs proof of your prior six months of income example, pay stubs, or any benefits letter stating your income (*household income = husband & wife's income even if only one person is filing)
- Prior two Federal & State Tax Returns. For 2023 these are the 2022 & 2021 filed returns not a tax transcript.**
- Vehicle Titles for any** boats, cars, trailers, or motorcycles in your name, including if your name is on mom's car.
- A recorded copy of your Deed and Mortgage, showing the Book and Page numbers.** We can get this from the court website for Jefferson County. Many rural counties are not online; go to the court clerk in rural counties.
- Driver's License & Social Security Card (you must bring these to your hearing even after we make a copy)**
- Fill in the intake on our website. List the Name, Address, and amount of all your debts** (free credit reports are available at www.annualcreditreport.com Credit reports are helpful to provide addresses and amounts.
- List the name and address of any **Child Support or Alimony** as a debt. You list the recipient as a debt.*
- Proof of Large or unusual expenses** (large medical expenses, church contribution, retirement, private school, etc.)
- Credit Counseling Certificate** We can prepare a case before you take credit counseling. But without it, your case cannot be filed. We recommend bkcert.com our attorney code is 91989. Take the Debtor education class when your case is filed. You must take the second course after filing for bankruptcy, or you will not receive your discharge.
- If you have been sued, you may have a judgment lien on any home or real property you own. To strip a 2nd mortgage or judgment lien – complete our form, get an appraisal, and pay the additional fees for this motion, or your judgment lien will not be stripped. This causes increased fees and time later, especially at closing.*
- Paying cash gets your case immediately. The 2023 filing fee for Chapter 7 or 13 is \$338.00. The official filing fee for a 13 is 313, plus 25 dollars in mailing costs. Fees are held in a trust account until checks & debit cards clear.**
- In 2023, our regular Chapter 7 Attorney Fee is now \$1400.00 for a single person- Joint \$1600.00. If you pay by check or card, we wait until the check or debit card clears due to returned checks. It's best to bring cash.**
- 2023 Chapter 13 Attorney Fees:** We often collect and hold your first 2-3 Chapter 13 payments in our trust account at filing to show you have the ability and intent to make payments. We are paid through bankruptcy court as you make Chapter 13 payments. The Western KY Court pays a \$4100 flat fee in every Chapter 13 whether you hire the best or worst attorney in town. There is no need to price shop in Chapter 13.
- If you run a small business, you can often file a Chapter 7 or 13 instead of Chapter 11. Only individuals can file Chapter 13. Small business owners often file a Chapter 13 instead of Chapter 11 and restructure the business. Chapter 11 has a 96% failure rate. Chapter 11 cases are often converted from Chapter 11 to 7.**



A judge or trustee can require other documents. The documents listed above must be gathered before the bankruptcy can be filed. Reading our manual takes about 2-3 hours and will give you a general understanding of bankruptcy. You are not required to give your email address to download it.

Things to do after filing, other than attending the hearing with your id and social security card.

1. **Take your second class** as soon as you get your case number. A discharge is a permanent court order to prevent creditors from collecting. The bankruptcy code requires you to take the second class, called a debtor education class, to get this discharge. Fail to take the class before the case closes, and you have to pay the filing fee again to reopen the case & the cost for motions to reopen the case to get the discharge.
2. **Reaffirmation.** If you want to keep a car or home, you may want to sign a reaffirmation agreement. Banks will only send a reaffirmation to your attorney if you request it. We complete this with you in our office and send it back to the lender. **However, reaffirming a debt will not help your credit. Reaffirming an auto loan also means you go back to being legally liable.** You only want to reaffirm if your lender insists. Reaffirmation is only good for you if the auto is worth the debt on your car. Lenders will tend not to repossess until after the case is closed, and you can always buy a different car.
Surrender You can always surrender a home or car if it is a lemon, and you don't want to pay the debt. You can replace a bad deal. Most clients qualify for an auto within six months and a home within two years after discharge at low rates. You can get a car at a higher rate shortly after the case is filed. 722 Redemption in Covington, KY, Toyota of Louisville, and Budget Auto in Radcliff will finance cars for people in bankruptcy.
Redemption You may save money by redeeming when you have negative equity. If the auto is in perfect condition and the amount you owe for the car is more than the NADA book value, you may want to redeem it. You pay the lender the NADA retail value for the auto. 722 Redemption will lend you the money to redeem a car or will sell and finance different auto. 722 cars usually are 2-3-year-old autos. Redemption rebuilds credit better than reaffirmation. You are no longer underwater in a car, and the bank suffers the loss.
3. **Stripping a mortgage or judicial lien.** People often don't know they were sued. A judicial lien will attach to your home if a lender sues and obtains a judgment. When you refinance or sell a home, the judicial lien will still exist after the bankruptcy has been filed unless it is stripped during the bankruptcy. If this lien impairs your exemption in the property, it can usually be removed. It is much cheaper to remove it while your bankruptcy is going on. If the lien is not removed while the bankruptcy is going on, you must file a motion to reopen the case and strip the lien later. This takes 20-30 days, which means you may lose a sale of a property or refinancing if you have to wait to get this done. First residential Mortgages cannot be stripped. First mortgages for business, rental, and vacation properties can be modified or stripped. **Second mortgages with no equity can be stripped in Chapter 13.**
4. **Save your bankruptcy documents.** If you need to buy a home later, you will need a copy of your bankruptcy.
5. **Be sure all of your debts are listed.** In a Chapter 7 case with no assets, the debts are discharged whether you list the debts or not. Not listing a debt may cause problems later. If you fail to list a debt in a case that repays debts like a 13, you will still owe the debt after the case is over. The case which governs this is In RE Madj.
6. **Pull your credit report.** Your credit report should show accounts as closed after discharge. Discharged debts are not in default. Your FICO score and net worth often go up, not down, after a bankruptcy. Wealthy people file bankruptcy to increase their wealth. Poor people live with debt. Three different federal reserve studies prove this to be true.
7. **Check taxes and insurance.** If real property is being surrendered, you may not need to continue paying for taxes and insurance. The lender will often pay taxes and insurance during a foreclosure. Be sure the title is out of your name so you don't continue to pay taxes for an auto after your case is discharged. You can file an affidavit of incomplete transfer to get a repossessed auto out of your name and not pay taxes on it.
8. **Download & read our manual.** If you understand the process, you will get more from your bankruptcy, which is much easier. Most people who understand the process save thousands by taking 3-4 hours to read how to take advantage of all the different tools we have in bankruptcy. I know my book is boring, but you will understand bankruptcy after reading about the issues that can arise.