

Chapter 13 Bankruptcy Overview

File Chapter 13 payment plan rather than Chapter 7 fresh start if

- Too much equity in home or other assets
 - Mortgage of car arrearages
 - Fraud debts
 - Income exceeds Median Income
 - Chapter 11 – major business reorganization
 - Prior Chapter 7 Discharge within 4 years (Discharge not needed where sole purpose is to stop foreclosure)
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- Means Test for payments and duration (36/60)
 - Limited Cram downs (over 925 days)
 - Must be current on Alimony and Child Support
 - No discharge upon consummation unless Debtor Education completed
 - Debt limits \$307,675 unsecured, \$922,975 secured 109 (e)
 - Debtors above Median Income are required to file a 5 year plan unless they can repay in full in less than 5 years

More information: http://www.russacklaw.com/chapter_13.html