

## **Top 25 Bankruptcy Myths concerning October 2005 bankruptcy reform**

1. The Bankruptcy laws have been repealed by Congress.
2. If you did not file for bankruptcy before October 17, 2005, then you are no longer allowed to file.
3. You cannot discharge any credit card debts under the new Bankruptcy laws.
4. You can only keep one car or one truck if you file for bankruptcy.
5. You will have to give up all of your vehicles if you file for bankruptcy.
6. The IRS will audit all of your prior tax returns if you file for bankruptcy.
7. You will have to file amended tax returns for the past 4 years if you file for bankruptcy.
8. You can only have one TV and one VCR if you file for bankruptcy and if you have a DVD it will be taken by the Trustee.
9. The Bankruptcy Court will take all of your property if you file.
10. You can no longer stop a foreclosure by filing for bankruptcy.
11. If you file for bankruptcy, all of your bank records and tax records will be audited.
12. An FBI agent will come to the home of every debtor and will take photographs of everything.
13. Before you can file for bankruptcy, you must pass a written test. Likewise, you must pass another test to get out of bankruptcy.
14. Before you can complete your bankruptcy case, you must pass a lie detector test.
15. After you file for bankruptcy, you will never be entitled to another tax refund.
16. If you have any money in a bank account and file for bankruptcy, then all of your money will be taken by the bankruptcy trustee.
17. If you file for bankruptcy, you will never be able to get any new

credit for anything.

18. You can never own a home if you have filed for bankruptcy.
19. You do not have to list all of your debts if you file for bankruptcy. In short, you can pick and choose the debts to be included in your bankruptcy case.
20. If your former spouse files for bankruptcy on a joint debt, his or her bankruptcy will discharge your obligations on that same joint debt.
21. You do not have to list all of the property you own if you file for bankruptcy. You can pick and choose what is in and what is out.
22. If property is owned in your name, and the bill is in your name, then you do not have to list the debt or the property if a relative or a friend actually has the property and is making the payments.
23. The legal fees for filing a bankruptcy are so high that only the very rich can afford to file.
24. You can eliminate and discharge all of your back child support by filing for bankruptcy.
25. If you are currently paying alimony or spousal support, all obligations to pay will be terminated forever by filing for bankruptcy.

*REX ANDERSON*