

Can You File Bankruptcy On A Civil Judgment

5 Simple Steps

Understanding Bankruptcy & Judgment Liens:

- Bankruptcy can stop creditor actions like wage garnishment or property liens.
- A lien allows creditors to seize assets like homes, cars, or bank accounts.

Bankruptcy Types & Lien Impact:

- Chapter 7: May remove lien if it affects exemption; debts might remain.
- Chapter 13: Can strip lien if unsecured; debts may need repayment.

Avoiding Judgment Lien in Bankruptcy:

- Criteria: Lien from court judgment; equity eligible for exemption; lien hampers exemption on property sale.
- Process: File motion with documents; serve parties; attend hearing; await judge's decision.

Non-Dischargeable Debt in Bankruptcy:

- Some debts persist post-bankruptcy, like taxes, child support, or fraud-related debts.
- Chapter 7: Remain liable for non-dischargeable debts.
- Chapter 13: Repayment through plan; failure may resume collection efforts.

Bankruptcy & Civil Court:

Bankruptcy's effect on civil lawsuits varies:

- Debtor as Plaintiff: Trustee oversees; approval needed to proceed.
- Debtor as Defendant: Automatic stay halts actions; relief required; claim may be filed.