

## **Change is on the Horizon: Feds Raise Bankruptcy Fees & Make It More Difficult to File Chapter 7 Bankruptcy**

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Filing bankruptcy just got slightly more expensive and for some in Arizona it will be more difficult to file a Chapter 7 bankruptcy. On November 1st of this year the filing fees for filing a Chapter 7 bankruptcy and Chapter 13 bankruptcy will go up. Further, on November 1st new income numbers will be instituted that will make it more difficult for some families to qualify for a Chapter 7 bankruptcy filing.

### **New Higher Filing Fees**

Right now the bankruptcy court charges a filing fee for a Chapter 7 bankruptcy of \$299. This will increase to \$306 on November 1st. Likewise, currently the bankruptcy court charges a filing fee of \$274 for a Chapter 13 bankruptcy case. This will be raised to \$281. These are not huge increases, but these fees continue to creep up over time making it more expensive for anyone to file for bankruptcy.

### **New Median Income Numbers Make it More Difficult for Some to File Chapter 7 Bankruptcy**

As I have discussed in prior articles, in order to qualify to file a Chapter 7 bankruptcy you must make at or below the median income for a family of your size in your state. For instance, currently, a family of two must make less than \$4,741 per month in order to qualify for a Chapter 7 bankruptcy. Beginning November 1st, the same family must make less than \$4,481.75 in order to qualify for Chapter 7.

Again, these are not huge decreases, but in many cases a few hundred dollars can mean the difference between completing a Chapter 7 bankruptcy case in 4 to 6 months and being in a Chapter 13 bankruptcy for 3 to 5 years.

Also, it is a sign of the times that this is the third straight time when median incomes have gone down - demonstrating that American families continue to see wages and income reduced resulting in more debt and more bankruptcy filings.

If you need to file bankruptcy, it is worth your time to visit with a bankruptcy lawyer in the month of October before the new fees and numbers take effect. My bankruptcy consultations are always free. Give me a call at (480) 420-4028 or shoot me an email at [john@skibalaw.com](mailto:john@skibalaw.com) and we can go over your financial situation and determine what the best option is for you and your family.