

JACKSONVILLE BANKRUPTCY ATTORNEY: CAN FAILURE TO PLAN FOR RETIREMENT LEAD TO BANKRUPTCY?

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As advances in medical care continue to add years to the lives of many Americans, could the failure to plan for that longer life lead to bankruptcy?

It is currently estimated that nearly half of all Americans fail to plan properly for retirement. Add to that a bruising economy that has seen the savings and retirement accounts of many older Americans drop as much as 40 percent, and the necessity for many of those to live off credit cards and you have the equivalent of the perfect storm.

The old paradigm of being able to retire at age 65 after a long career at one company with a comfortable pension and ample savings – with the house paid off and the kids long gone – has disappeared from the American landscape.

More older Americans are now saddled with debt, mortgages and may already have been drawing from their savings because they were laid off from their jobs. The nest egg has turned rotten.

And even though it may go against some ingrained older attitudes, filing bankruptcy can be a great help to seniors, allowing them to shed the debt and reinvest freed income into savings and retirement accounts. Bankruptcy may also prove to be an effective way to allow retirees to hold on to their homes.

Bankruptcy protects retirement accounts from creditors and will also discharge debt from medical bills, which is a higher percentage of the debt load for seniors.