

Some Debts Aren't Discharged in Bankruptcy

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A successful [bankruptcy case](#) typically discharges the majority of an individual's [debts](#). However, it is important that a debtor understand that not all debts are dischargeable. This means when your case is concluded, you are still liable to pay these non-dischargeable debts.

Child Support – Debtor's liability to pay alimony or child support payments cannot be discharged. The law seeks to protect individuals who are entitled to receive this type of support.

Taxes – Certain taxes cannot be discharged.. You should consult with a bankruptcy attorney to determine whether your taxes will be discharged or not.

Student Loans – Any educational loan that is still outstanding in your name (whether it is from a non-profit organization or from a government body) comes under non-dischargeable debts. But, here again, there can be some exceptions that have been broadened with the introduction of 2005 Bankruptcy Reform Act. For example, if the repayment responsibility is likely to impose an undue hardship on the bankrupt individual, the court may consider discharging student loans also as part of the bankruptcy order.

Fraud – If it is proven that the debtor incurred certain debts as the result of fraudulent activities or under false pretenses, the debts will not be discharged. Typically, a creditor files a motion alleging the fraud and a special hearing is held to determine whether fraud exists.

Fines – Bankruptcy does not discharge certain crimes against the debtor, such as criminal restitution ordered by a court, traffic tickets or any other such charges.

Credit Purchases – If the debtor buys a luxury good or services on credit, the resulting debt is not likely to be discharged, especially if the purchases were made within ninety days of the bankruptcy filing and the total amount of money owed to a single creditor is more than \$500.

Drunk Driving Liability – If the debtor has been found guilty of driving while drunk (or under the influence of drugs) and causing a wreck, and a court has ordered the debtor to pay compensation to the victim (the injured person in the accident), the compensation liability is non-dischargeable.

The above list is not all-inclusive. If you are considering filing for bankruptcy, you should meet with an experienced bankruptcy lawyer to discuss whether any of your debts are non-dischargeable.



About Seidberg Law Offices, P.C.

For more information on debt collections in Arizona, contact [Seidberg Law Offices, P.C.](#), a [Professional and Respectable Arizona Debt Collections Law Firm](#), at (623) 258-4397.