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TO CLIENT: copies of the following documents are required to file bankruptcy:

- CHAPTER 7 requires all the documents a Chapter 13 requires plus bank statements**
 - Bank Statements** for all bank accounts open (including joint accounts) in the last **6 months**
- CHAPTER 7 and 13,**
 - Household income*** The court needs the **prior 6 months** - paystubs, or any benefits letter stating your income (household income = husband & wife's income even if only one person is filing)
 - Federal & State Tax returns for prior two years (For 2019 this is 2018 and 2017) Your tax transcripts are not returns**
 - Vehicle Titles for any** boats, cars, trailers, motorcycles titled in your name including if your name is on mom's car.
 - Deed and Mortgage a Recorded** copy showing **Book and Page numbers**. We get it from www.landrecords.jcc.ky.gov/records/SOSearch.html for Jefferson other counties go to a court clerk.
 - Copy of Driver's License and Social Security Card** (you must bring these to your hearing)
 - Fill in the intake on our website** [Intake](#) List the Name, Address, and amount of all debts (free credit reports are available at www.annualcreditreport.com 1-877-322-8228 Credit reports are useful to provide addresses and account numbers but it won't have all of the creditors.
 - List the name and address of any **Child Support or Alimony Recipient as a debt**.
 - Proof of Large or Extraordinary Expenses** (medical expenses, charity, private school etc.)
 - Credit Counseling Certificate** Your case **CANNOT** be filed without the Counseling certificate. We recommend www.bkcert.com phones are answered 24 hours a day 7 days a week. This is my [sign up page](#) with them. BKcert is a little more expensive, but extremely fast. 866-859-7323; The cheapest place offering credit counseling courses is www.Prebk.com my code is nt0905. You must take the second course called the Debtor Education course immediately after filing your bankruptcy or you will not receive a discharge.
 - To strip a 2nd mortgage or judgment lien – complete our form, get an appraisal and pay the additional fee.**
 - It takes 3-4 hours to read our book. The average person that reads our book will get about 8,000-10,00 dollars more benefit from filing their bankruptcy than someone that doesn't.** To get a fantastic bankruptcy follow our checklists for Chapter 7, 13 and foreclosure cases
 - 2018-2019 Filing Fee for Chapter 7 or 13 - \$335.00**
 - 2018 Chapter 7 Attorney Fee: Single Filing \$1200.00 - Joint \$1400.00**
 - 2018 Chapter 13 Attorney Fee: paid through the bankruptcy court as payments are made.**



Other documentation may be required. This documentation listed above must be gathered before the bankruptcy can be filed. Be sure to read the Bankruptcy manual and information on our website. We have MP3 files, Videos and PowerPoints to explain bankruptcy, foreclosure, income tax and student loan issues.

This page was intentionally left Blank for Your Notes for when you talk to us.

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CHAPTER 13 CHECKLIST OF ITEM YOU NEED TO KNOW IN 13

1. **In Chapter 13** in Western Kentucky, if your plan pays less than 100%, you must by May 15th of each year turn over a budget, copies of your tax returns and the income tax refund to the Trustee for four years in a five-year plan. Your first year you normally keep it if you filed the case after May 15. You cannot keep the Federal Child Tax Credit. You can keep the Earned Income Credit (EIC) and the amount paid to prepare taxes. If you receive a refund from the Feds and owe the state, you may deduct from one and pay the other. You can't pay your taxes ahead. Look at your budget on schedule I and J you filed with the court. It should be similar to a current budget. If wages increase 10%, food etc. increased 10%.
2. **In Chapter 13** your creditors will file claims. We file a schedule of allowed claims, and these claims are paid **if you don't object to a claim**. You should review claims with us about 60 days after the 341 hearing. If you don't, you may pay debts you don't owe. We may have to increase payments or lower a planned percentage based on the claims filed.
3. Your hearing will be in about 30-45 days after you file. You must bring your **photo id, social security card and first payments** to court. **In Chapter 13** if two months have passed since you filed, you owe two payments. If you don't pay these payments, your case may be dismissed. You owe your first plan payment and mortgage payment the day you file.
4. ***If you had a prior Chapter 13 case within six months before filing, we need to file a motion to extend the automatic stay. We file to impose the stay if two cases were filed but with each failed Chapter 13 your chances of success drop dramatically.***
5. **In Chapter 13** If you have a consumer auto loan and it is over 910 days old, you can pay the value of the auto to the lender as secured and the remainder as unsecured. If the auto was for business or the loan refinanced the vehicle, or the loan had an additional purpose you don't have to wait 910 days to cram down the loan. ***In Chapter 7, you can redeem the auto and just pay the value of the auto which is similar.*** These types of liens can be stripped down.
6. **In Chapter 13** If your income is less than average, you can have a 36-month plan. But plan payments may go up if it has to pay secured and priority expenses. If your plan pays 100%, you can have a 12 or one-month plan. But plan payments go way up. You are required to use your best efforts to repay. 70% or more Chapter 13 plans are not reviewed by judge Lloyd. 50% and higher plans are not normally reviewed by judges Fulton or Stout. You can pay off a plan early but not before 36 months unless you repay 100%. Early Hardship Discharges are available if you become disabled or otherwise can't repay due to no fault of your own.
7. **In Chapter 13** if your second or third mortgage has no equity, you should file a motion to strip the mortgage at the start of the case. Stripping may more than pay the Chapter 13 cost.
8. **In Chapter 13** why payroll deduct the plan payments? Your employer can be sued for discrimination if they fire or otherwise punish you for filing a Chapter 13. If the payments are not deducted you are less likely to finish your Chapter 13 successfully. Payroll deduction communicates to the Trustee and judges you seriously want to complete the plan.
9. **In Chapter 13** Attorneys are all paid the same fee. You can hire a cheaper or less qualified lawyer. The court pays the same \$3750 to whoever you hire. Hire the best

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10. **In Chapter 13** if it doesn't work, you can dismiss your case. You may not be able to dismiss a Chapter 7. You can lose property in Chapter 7. People don't lose property in Chapter 13 unless they fail to pay for it. You can convert to a Chapter 7 if you meet the Ch 7 guidelines.
11. ***You can get rid of bad cell phone contracts and go to Walmart. Judge Lloyd will not confirm a Chapter 13 plan which gives over 5% of your income to telecommunications. Telephone, cable, internet and cell phone expense are telecommunication expenses.***
12. **In Chapter 13** your budget = income - expenses. The money left over is your plan payment. Pay for autos through the plan if your auto interest rate is over 5%. Plans must pay priority taxes & mortgage arrears in full. When the car payments end; plan payment can go up.
13. **In Chapter 13** if you do not make plan payments, the Chapter 13 Trustee will file a motion to dismiss. If you do not make mortgage payments, the lender will file a motion to terminate the stay. You may be able to cure the motion to terminate the stay by a mortgage company. But the mortgage company court costs and attorney fees often have to be paid which are often over 1,000.00 dollars. This hurts. Do not fall behind in the mortgage payments!
14. **In Chapter 13** Life happens. Your income can go down, expenses can go up, or you can become out of work. It is possible to temporarily lower, or suspend plan payments. But you must make it up later. There is a floor the payment can't go below. Plans have to pay the secured and priority expenses. This means catching up a mortgage and paying priority taxes.
15. ***Inheritances, personal injury cases, lottery winnings and bonus incomes have to be reported. These windfalls may make a Chapter 13 plan 100% and require turning over funds. If you need to purchase or refinance a home or auto that must also be approved for Chapter 13 cases. Same for insurance proceeds above the cost of replacing an auto. In Chapter 13, you can qualify for a mortgage or refinance a mortgage after 12 on time plan payments. In Chapter 7, you will qualify for mortgages two years after the discharge with a 620 Fico score. See our website on how to get a 725 Fico Score. We have had some people obtain a 730 while they were in a Chapter 13.***
16. ***You have to take the second class. There is a simple one-page form to request discharge at the end of Chapter 13. You may not need the permanent court order called a discharge if you only needed to catch up the mortgage or get a modification. Many people only need the temporary protection while they workout a foreclosure, tax or student loan problem***
17. **In Chapter 13**, the Trustee does not accept cash. If you bounce a check, your plan payment will become payroll deducted, or they won't accept a check later that is not certified.
18. **If a Chapter 13 plan** has a problem, it will not be confirmed. You will have a chance to correct it, and you will have to come to a second hearing. It is best to do it right the first time.
19. **To get a discharge in a Chapter 13**, you must file the request for a discharge form. For either a Chapter 7 or a 13 you have to take the debtor education to get the discharge.
20. You can follow your case and how it is paid with NDC.org (National Data Center) Payments are best payroll deducted but in the Eastern KY district you may pay with TFS
21. If you have questions or problems call us. If we call you don't ignore it.
22. If you are in a foreclosure and you are filing a Chapter 13 to stop the foreclosure, your mortgage payments and plan payments start the month the case is filed. If the mortgage company does not immediately start accepting your payments don't spend it.

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CHAPTER 7 CHECKLIST OF ITEM YOU NEED TO KNOW IN 7

Fail to list an asset and you may lose it in a 7. You can't exempt or keep an unclaimed asset. Don't give your 5,000 dollar car to mother for less than what it was worth before filing this is either a fraudulent transfer or a preferential transfer. Either way you lose it and she loses it.

If don't list a debt in an asset case where creditors are repaid, it is not discharged. In our district if you fail to list a debt in a case where no creditor was repaid (over 90% of Chapter 7 cases) it is still discharged. If you have a small amount of income and property you normally have no problem unless you failed to keep records or transferred property improperly.

A Chapter 7 Trustee looks over your income, taxes and bank records to determine what your real income is, what property you have and what transfers you made. If you have you paid friends or family members within the 2 years before filing he will find it and we need to know about it. He is paid about 60 dollars for each case he reviews. It costs him over \$60 to review each petition. If the petition is accurate and does not raise suspicions he moves on to the next person. If you have a sloppy petition, raise suspicions, cost him time or become difficult he will audit your petition more closely. He can conduct two or more hearings instead of one. He makes 25% from any property he can take from you or recover. Do not cause your own problems by having a sloppy petition.

If you operated a business the Trustee may audit the books of that business looking for assets, fraudulent transfers and preferential transfers. If your bookkeeping was poor you may be barred from a Chapter 13 or a Chapter 7. In such cases you may be better off filing as a Chapter 13 where there is very little or no review by the US Trustee and Panel Trustee in Chapter 13 cases.

GENERAL CHECKLIST

If you have a judicial lien you need avoided, *tell us at the start!* Sometimes you have been sued, and a lien may have been placed against your home. It is an extra cost to avoid this lien. But if you don't pay the 500 to delete this lien now, you may have to pay thousands later to remove it and wait 30 days to get it done which may delay a home mortgage or purchase.

You will find on our website, in the manual and on our YouTube channel the answers to:

- a. What are the common questions the Trustee asks
- b. The common exemptions which allow you to keep property,
- c. The length of time you have to wait before filing a second Chapter 7 or 13.
- d. Why you don't want to use debt settlement/management.
- e. When you want to use a Chapter 13 and when you want to use a 7
- f. A lot of other questions about bankruptcy, foreclosure, tax and student loan debt is answered on the website if you use the magnifying glass tool to look items up.

<i>We need to notify the court in a 7 or 13 if</i>	We need to notify the court in a 13 if:
<i>Your address changes</i>	You can't make the payments
<i>You become able to sue someone</i>	You want to buy or sell a home or auto
<i>You come into an inheritance</i>	Can't make payments temporarily.
<i>Finalize a mortgage modification</i>	Pay a case off early
No Chapter 13 plan can last longer than 5 years	Your employment changes

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Go to your hearing early; listen to the questions; they ask the same questions over and over. **THE QUESTIONS YOU ASKED ARE ON OUR WEBSITE.** If you or your attorney arrives slightly late, they will recall the case. Don't panic.

Take the second debtor education class immediately after the case is filed, or it may cost you.

Bring your photo ID and your social security card with you to the hearing or it will be continued.

Budget Planning (In preparing your petition we will cover expenses)

Home		Transportation		Food	
Mortgage or Rent		Car Payment Vehicle 1		Pet expenses	
Property Taxes		Car Payment Vehicle 2		Medical Insurance	
Home Insurance		Car Insurance		Medical Co Pays	
Condo Fees HOA		Gas Oil Tires Maintenance		Taxes	
Home Maintenance		Cell phone, Cable, Internet, etc		Miscellaneous	
Electricity		Clothing		Pet Expenses	
Water Sewage		Personal Care Haircuts etc		Recreational Expenses	
Garbage		Child Support		Recreational Expenses	
Other Services		Alimony		Child Day Care	
		Charity up to 15% is allowed		Child Education if Disabled	

Common Questions we cover and need to know about in preparing your petition. Many topics are on our website. But let us know:

1. Are the majority of your debts business debts if so you may automatically qualify for a Chapter 7? Have you operated a business within the last 6 years if so it must be listed!
2. Unless exempted; tax refunds, inheritances & insurance proceeds belong to the trustee. If you can't exempt an item you may be able to spend it before filing on repairs or necessary items which are exempt. Don't pay relatives or transfer assets to relatives and friends before filing.
3. Are you a veteran? Did the debts arise while you are on active service?
4. Are there any leases or cell phone contracts you need to keep or get rid of? If so do it now.
5. Have you lost, sold or transferred any property to anyone within 2 years worth over 600?
6. Have you made any gifts to any family members or charity?
7. Are you going through any foreclosure, divorce, lawsuit or business breakup?
8. Do you owe more on your car or boat than what it is worth? If so you may need to Redeem your auto in a Chapter 7 or include it in your Chapter 13 plan and strip it down. If you owe more than you home is worth let us know.
9. Are you due to inherit property, win a lottery or have the right to file a lawsuit?
10. Are you on anyone else's deed, bank account or car title???
11. Do you need a judicial lien avoided, property protected or need to protect a cosigner?
12. Do you have certain difficult debts you need to discharge?
13. Do you have property tax liens, foreclosure, student loan or tax problems?
14. If you have a business have you kept excellent accounting records perhaps a 13 is needed. A 13 is also often needed if you need to be protected from a foreclosure, tax or student loan collector
15. Did you use credit cards or make charges of over 600 within 90 days of filing especially for any luxury item.

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