

Bankruptcy

As with last week's show, our topic tonight could not be timelier with the current economic climate in our country. Bankruptcy is something we all hope we will never have to file for; however, some of us will not be so lucky.

In the instance you are considering filing for the dreaded Chapter 7 or Chapter 13, we had Albany bankruptcy attorney Paula Barbaruolo on hand to explain the process and dispel some of the myths surrounding this area of law. Also on the show tonight was guest host Barbara J. King, Albany family and matrimonial attorney and partner of Tully Rinckey PLLC.

We got a couple of really great calls tonight, one in particular brought up a good point about what can and can not be discharged under bankruptcy. If you are filing for bankruptcy and are currently paying any type of child or spousal support and think you will be let off the hook on having to pay that, guess again. You might get relief from credit card debt or foreclosure, but you still have to keep paying your monthly child support amount, which is something I don't think a lot of people realize.

Another interesting thing that Paula explained to us was about a part of the bankruptcy code called the means test. This is a test to determine what your monthly income is and how it compares to the median income for the state you live in depending on the number of people in your household. If you don't pass the test, that is you are over the median amount, then you are presumed to be abusing the financial system if you file for Chapter 7 and instead will be required to pay creditors back over a period of five years.

If you have any questions about tonight's show or would like to speak with one of the attorneys at Tully Rinckey PLLC, give us a call 24/7 at 518-218-7100 or visit our website at www.tullylegal.com