

## How Much Does It Cost To File Bankruptcy?

If you're struggling to pay your bills and you're now considering bankruptcy, then it's only natural to worry about the costs of filing. Fortunately, filing bankruptcy doesn't need to break the bank but it is still an investment in your financial future so it will cost you something. Let's take a look at some of the most common costs you will face when filing bankruptcy.

### Filing Fees

Whether you're filing a Chapter 7 or Chapter 13 bankruptcy, you will need to pay a filing fee to the bankruptcy court. This fee will not be waived, even if you're filing bankruptcy without an attorney. To file Chapter 7 bankruptcy in California there is a fee of \$306. While this fee cannot be waived, you may be allowed to pay it in installments if you are low-income or indigent. If you're filing Chapter 13 bankruptcy in California there is a fee of \$281, which also cannot be waived.

The filing fees for Chapter 7 and Chapter 13 bankruptcy are the same whether you're filing alone or with a spouse.

### Course Fees

To file bankruptcy it's required that you take a credit counseling and personal financial management course. These two courses can cost anywhere between \$50 - \$100 depending on where you go and how you take the courses. These courses are available in person, online, and even over the phone.

### Attorney Fees

Unless you're an attorney, it's likely that you'll need a bankruptcy lawyer to represent you. But the cost of your attorney will depend on a few factors:

- **The attorney's experience.** The more experienced an attorney is, the more he/she has to offer your case. You pay for experience because it's worth it.
- **The complexity of your case.** If you have a lot of assets and complex business debts you need handled in bankruptcy, the cost of attorney fees will increase. On the other hand, simple, "no-asset" bankruptcy cases take less time and will cost less money.
- **The type of bankruptcy.** If you're filing Chapter 13 bankruptcy, you will probably work with an attorney over the course of a few months. The attorney will give you a fee quote based on the details of your specific case and you will pay those fees upfront. Now, if you're filing Chapter 13 bankruptcy, this changes significantly. In Chapter 13 bankruptcy, the attorney works with you over the course of three to five years depending on how long your repayment period is. Your attorney fees in Chapter 13 bankruptcy are included in your monthly payments. The trustee will take a portion of what you pay each month and use it to pay your lawyer.

It is almost impossible to give an accurate estimate of what your bankruptcy case will cost without knowing all the details. Each bankruptcy case is unique and comes with its own set of challenges. If you want to find out how much your bankruptcy case will cost, contact me today so that we can discuss the details of your case.