



# Breaking the Bankruptcy Law is a Serious Matter

by [Frank Pipitone](#) on July 9, 2012

Filing for [bankruptcy is not just filling out some forms](#) to submit to court. Unfortunately, this is the perspective that some people have.

Not respecting the process can have dire consequences.

The dismissal of your case is financially troubling, however, depending on your actions, there could be even worse outcomes. Fraud, Concealment of assets and/or perjury are some of the potential actions that could lead to criminal consequences in bankruptcy.

## Nails (1986 – 2012)

For those that don't know, "Nails" is the nickname associated with former [New York Mets](#) outfielder [Lenny Dykstra](#). Dykstra helped the Mets win the 1986 World Series and was the "fire-starter" on one of the most memorable teams in baseball history.

Dykstra, more than any other player, is responsible for me being the die-hard Mets fan I am today.

Unfortunately for Lenny, he lived life as he played the game – dirty, fearless and completely reckless. Because of this, [Dykstra will plead guilty to bankruptcy crimes](#) including fraud, concealment of assets and false testimony under oath which could result in a 20 year Federal prison sentence.

Dykstra supposedly disposed of assets valued at over \$400,000 without the permission of the trustee and gave false testimony under oath.

## Bankruptcy Crimes are Enforced

A simple online search will reveal the seriousness of bankruptcy related crimes. There are a plethora of cases nationwide and it seems celebrities have a penchant for committing bankruptcy infractions.

[Recently, an Ashland, Illinois man was sentenced to 5 months in Federal prison for concealing assets in his bankruptcy case.](#)

In another case, [a Houston, Texas man was arrested on charges of bankruptcy fraud concealment of assets, false oath, and false declaration.](#)

The [United States Trustee's Office \(UST\)](#), a division of the United States Department of Justice seeks to "promote the efficiency and protect the integrity of the Federal bankruptcy system." In addition, the UST "identifies and helps investigate bankruptcy fraud and abuse in coordination with United States Attorneys, the Federal Bureau of Investigation, and other law enforcement agencies."

Simply put, bankruptcy crimes are a serious matter and they are frequently and aggressively prosecuted.

## Play by the Rules

While an experienced lawyer can guide you through the bankruptcy minefield, he/she cannot uphold your



integrity for you. It is completely in your control to be honest and act in good faith at all times during your case.

Bankruptcy is an extremely powerful legal tool, in most cases allowing you to wipe out 100% of your debt. Bankruptcy protects you from oppressive creditors and provides you with a [fresh financial start](#).

The small price to pay is full disclosure, adherence to the rules and maintenance of good faith. You do not want to turn your financial hardship into potential incarceration.

*Image courtesy of [thart2009](#).*