

Filing a Creditor's Claim in Bankruptcy Court

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<http://azdebtcollectionlaw.com/>

As a creditor, do you always need to file a claim when you receive notice that the person who owes you money filed bankruptcy? As with many legal questions, the answer is it depends. Specifically, it depends on whether the debt is secured or unsecured, which chapter of the bankruptcy code the debtor chose, and if chapter 7, whether any assets will be available for distribution.

First, is the debt secured or unsecured? The difference between the two is simply that a secured debt is attached to property, or collateral, while an unsecured debt is not backed by collateral. For example, a vehicle loan is secured, assuming the creditor filed the proper paperwork to perfect the lien. On the other hand, credit card debt is generally unsecured.

If you are a secured creditor, you should consult an attorney for advice to protect your interests, regardless of which chapter the debtor filed under.

If you are an unsecured creditor in a typical chapter 7 case where there are no assets, there is little need to file a claim because there will probably be no distribution. But a prudent creditor should still file a proof of claim, either one your own or through a collection law firm.

If the case appears to be an asset case under Chapter 7, unsecured creditors must file claims within 90 days after the first date set for the meeting of creditors. Fed. R. Bankr. P. 3002(c). Governmental units have 180 days from the date the case is filed to file a claim. 11 U.S.C. § 502(b)(9).

If the debtor filed under Chapter 13, the time limits for creditors filing claims are the same, and all unsecured creditors should file a timely claim to be eligible to receive distributions from the bankruptcy estate.

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About Seidberg Law

Unlike a "collection agency", a professional debt collection law firm will work both in and out of the court system to help collect money owed. At [Seidberg Law](#), we will first exhaust all non-judicial means to encourage delinquent customers to pay. If that doesn't work, we can engage the legal process to seek payment of unpaid accounts.

Don't let outstanding debt bankrupt your business. Call the professional debt collection attorneys at [Seidberg Law](#) for help. Centrally located in Phoenix, Arizona, Seidberg Law can help recover delinquent debts from debtors throughout Arizona. Call Seidberg Law today at (623) 258-4397 or visit us online at www.seidberglaw.com.