

## What Does It Cost to File Bankruptcy?: Arizona Bankruptcy Attorney

By Arizona Bankruptcy Attorney John Skiba

[www.jacksonwhitelaw.com/arizona-bankruptcy](http://www.jacksonwhitelaw.com/arizona-bankruptcy)

After I discuss the pros/cons of filing bankruptcy in my consultations with clients we get to the question that is on every one's mind – what is this going to cost me? Bankruptcy prices vary from law firm to law firm, but most bankruptcy attorneys will charge a flat fee for the entire process. This is different than most other types of attorneys who will bill you by the hour for the work that they do (often charging \$250-\$350 an hour).

At Jackson White, P.C. we are currently charging the following prices for bankruptcy:

### **Chapter 7 Bankruptcy Fee: \$1,695**

In addition to this fee the bankruptcy court has a filing fee and you will be required to take two credit counseling courses, all which will add an additional \$400 on top of the legal fee. So, if you hire me to do your chapter 7 bankruptcy you are looking at a little over \$2,000 for the entire 5 month process.

I understand that when going through financial troubles the last thing you need is another bill. Because of this you will find that my legal fees are significantly lower than most bankruptcy firms in town. I encourage you to call other firms and ask them what their bankruptcy fees are. First, they will likely not tell you. For what ever reason attorneys are very hesitant to tell you what you are going to pay for your bankruptcy over the phone. Second, you will see that most firms in Arizona are going to charge you at least \$2,000 + the costs mentioned above, all the way up to \$3,000 + costs, or even more.

While I charge a lower fee than most, my team and I do not compromise on service. You will meet with me at the initial consultation. Not only will I personally handle your case but you will have a specific paralegal assigned to your case who will be there to assist you. Both of us will be available to answer questions and guide you through the bankruptcy process. You may be thinking, “why wouldn't I be meeting with you, I am hiring YOU to be my attorney!” Again I invite you to ask around. You may be surprised to learn that even though you are hiring an attorney, you may rarely actually meet with your attorney.

To get started we require a minimum down payment of \$500. I will work with you to set up a payment plan for the remaining balance. The balance of the legal fees and court costs must then be paid prior to the filing of your chase.

## **Chapter 13 Bankruptcy Fee: \$3,500**

For most chapter 13 bankruptcy cases we charge a flat fee of \$3,500 for the entire 3 to 5 year process. Chapter 13 bankruptcy fees are higher, mostly due to the fact that instead of being a five month process like a chapter 7 bankruptcy, a chapter 13 bankruptcy will last anywhere from three to five years. Essentially this fee gives you an attorney for bankruptcy matters for three to five years.

As with a chapter 7 bankruptcy there are additional costs of about \$400 for the court's filing fee and the credit counseling courses that have to be completed before and after the filing of your bankruptcy case. Chapter 13 bankruptcy cases are more complex than a chapter 7 bankruptcy, and so there can be additional fees. For instance, if you want to remove a second mortgage or home equity line of credit I am required to file a law suit against that bank to remove the lien. Proceedings such as this fall outside the regular chapter 13 bankruptcy fee and have an additional fee charged.

To get started with a chapter 13 bankruptcy we require a minimum down payment of \$500. One benefit to a chapter 13 bankruptcy case is that it is not necessary to pay all of the legal fees prior to the filing of your bankruptcy case. Some of the fees can be paid out over the three to five years of your bankruptcy case, making it less expensive for you to get started on your case.

## **What About the Billboard Advertising \$200 Bankruptcy?**

You have likely seen the billboards around town advertising a bankruptcy for \$200. It is important to understand what they are offering and be very wary of going down that path. If you engage one of these companies you will learn that you are not hiring an attorney but instead you are hiring a document preparer who will give you the bankruptcy forms and offer to type them up for you. You will not get legal advice. You will not have an attorney accompanying you to the Meeting of Creditors held at the bankruptcy court. You will not have professional legal counsel if things go wrong. Bankruptcy is a complex legal process and should be treated as such. Even if you don't hire me, hire an attorney. In the end you will save money and aggravation.

Arizona bankruptcy attorney John Skiba offers a free consultation to discuss your specific situation. He can be reached at (480) 464-1111.