

"I want to bankrupt this credit card, but I want to keep this one and keep paying on it". This is one of the common statements I hear from my clients at their free consultation. First off, the terminology is wrong. You are bankrupt. You can't bankrupt a debt. In addition, the law presumes you to be bankrupt 90 days prior to your filing. That means, you don't wake up one morning and say "oh, I'm bankrupt".

So what is wrong with only going bankrupt on one credit card and not the other (besides the wrong use of the terminology)? Plenty!

When you file a [Chapter 7](#) or a [Chapter 13](#), the bankruptcy code states that you must list **every** debt you have and give notice to **every** creditor you owe. That means if Aunt Millie loaned you \$500.00 to fix your car, you must list the debt to Aunt Millie and give [notice](#) to Aunt Millie in your bankruptcy petition. It does not matter if Aunt Millie never expects to be paid back or if she will be heart broken if you file bankruptcy. It is a legitimate debt, so it must be listed. However, the bankruptcy code does not prevent you from voluntarily paying back Aunt Millie once you receive your discharge from the bankruptcy court. The debt is discharged by operation of law, so your legal obligation to repay this debt has been eliminated. If you feel a moral obligation to repay Aunt Millie, you are free to do so afterwards.

What about credit cards? The same thing. You must list every debt you owe and give notice to every creditor you have (even the credit cards you have that has a zero balance). If you choose not to list a debt or give notice to a creditor, you may have committed bankruptcy fraud, which is a federal felony, and you may lose your discharge, or worse yet, go to jail.

What if you forgot to list a creditor? Well, this may not rise to the level of fraud, but you run the chance of not discharging that debt in your bankruptcy. This means the creditor may collect this debt even after you are out of bankruptcy. So it is very important to give your attorney every debt you owe and give every creditor you have, so they can properly prepare your petition. Even if your petition has been filed, it is not too late to add a creditor or debt to your petition.

Also, if you think by not adding a credit card or creditor to your petition you could keep the card and continue using it, think again. Aside from the fraud issues, each of your credit card companies do a periodic check on your credit report. If they see that you have filed bankruptcy, they will more than likely shut off your card and immediately collect the debt (remember, they received no notice so it is possible that the debt has not been discharged). Now, you have no use of the card and the creditor is harassing you for payment. You are right back where you started before you filed, and you cannot file another [Chapter 7](#) for eight years.

Think of bankruptcy as an "all or nothing" game when it comes to listing your debts.

So call your [Detroit Bankruptcy Lawyers](#) at (586) 439-4297, Extension 0, and set up your free consultation. We will discuss your debts and how to eliminate your debt. Do not try to hide debts from your attorney. You have too much to lose if you you.