

One of the biggest myths in bankruptcy, mostly perpetuated by the credit card industry, is that you will lose everything if you file bankruptcy. These myths are constantly being put out there to scare you away from bankruptcy and the debt relief you may desperately need. For the most part, you can keep everything you own.

In a [Chapter 13](#), you are paying back some or all of your debt that you owe, so you will be able to keep your things you own. If you have a house or a car, and are behind in your payments, you will pay back the past due amount during your [Chapter 13](#) Plan, along with the current amount due.

In a [chapter 7](#), the federal bankruptcy laws provided for exemption amounts for each type of personal or real property you own. That means you can protect your property up to a certain dollar amount. For example, if you own a house and you have equity in it (a rare occurrence these days in Michigan), you can exempt up to \$21,625, if your spouse is on the deed to your house, that amount gets doubled to \$43,250. Equity is defined as the value of your house, less the value of any liens (mortgage, home equity line, tax liens). If you have no equity in your house, then you can use up to \$10,825 of the unused equity in your home for other assets.

In addition, you have certain dollar exemption amounts for cars, household goods, clothing, jewelry, life insurance policies, tools and just about everything else you own. [Retirement accounts](#) are exempt from the reach of your creditors and the [trustee](#) almost in its entirety.

Exemption planning in order to file [Chapter 7](#) is a very tricky process and should only be done by an experienced bankruptcy attorney. I have seen many debtors try to file their bankruptcy by themselves, only to mess up their exemption planning, and have the [trustee](#) grill and embarrass the debtor at their [341 Meeting](#). Afterwards, the trustee may have filed a motion to dismiss their case (where the debtor will not receive their debt relief), or worse, will seize the debtors assets. Always use an experienced bankruptcy attorney to file bankruptcy.

Your [Detroit Bankruptcy Lawyers](#) are experienced bankruptcy attorneys and have years of experience in exemption planning. We are very careful in analyzing our clients assets and before we file your case, we will let you know if there is a chance that you could lose any of your stuff. It is very rare for someone to file bankruptcy and have "too much stuff". It simply does not happen out there.

So call your [Detroit Bankruptcy Lawyers](#) at (586) 439-4297, Extension 0, and set up your free consultation. We will discuss what you own and help you value your stuff to protect it during your bankruptcy. Do not go the cheap route and do it yourself. You have too much to lose if you you.