

In determining eligibility to file for a **chapter 7** bankruptcy, the basic qualifying factor is income under the Means Test as set forth in 11 U.S.C. 707(b)(2). The debtor's income must fall below the [Census Bureau's Median Income by Family Size](#). Thus, the Means Test is a two prong test:

- The **first** prong being the size of the household; and
- The **second** prong being that of the debtor's gross income for the six months preceding the bankruptcy filing.

Debts generally not dischargeable in Chapter 7 bankruptcy include: [taxes](#), child or family support payments, student loans [absent undue hardship], traffic tickets, government fines, alcohol related accident judgments, judgment for willful or malicious conduct resulting in serious physical injury or death.

Debtors are required to submit a copy of their recent tax transcripts to the [Trustee](#) prior to the meeting of creditors, 11. U.S.C. 341(a). A copy of the tax transcripts can be obtained by the debtor by calling the IRS **1-800-829-1040** and the debtor can even authorize the transcripts be faxed directly to counsel. The IRS attorney line for transcripts is **1-866-860-4259**.

In California, there are certain exemptions that can be taken under California Code of Civil Procedure Sections 703, 704. Exemptions allow a person to keep certain assets after the bankruptcy. You must select only one set of exemptions. If spouses are filing jointly, they must select the same set of exemptions.

A qualified bankruptcy attorney will review your individual financial situation and determine whether you qualify for [chapter 7](#) or need to file [chapter 13](#) bankruptcy.

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