

I'm owed \$150,000 of back child support. Can I file bankruptcy?

I'm owed \$150,000 of back child support that I haven't been able to collect, and I need to file bankruptcy. Can I file Chapter 7, the one that gets rid of my debts quickly, in spite of that large amount owed to me?



The short answer is yes, if you otherwise qualify for a Chapter 7 bankruptcy, being owed that large amount of back child support probably will not hinder that, especially in California.

Why? California has an "exemption" (exemptions allow you to keep various things when you file bankruptcy) for child support, "to the extent reasonably necessary for the support of the debtor and any dependent of the debtor." I'd say a good case can be made that that one-time amount of \$150,000 is necessary for the support of you and your children, especially because you need to file bankruptcy.

One more thing. Since you haven't been able to collect that amount, you (and your bankruptcy attorney) might give thought to only exempting, say, half of that amount owed to you. That way the trustee assigned to your case has incentive to go after it if he/she thinks there is any chance of collecting it. In effect, you'd be paying the trustee and your creditors a share of the collected amount in return for going after it and getting it. This is definitely one of those "don't try this at home" things, and needs full discussion with your bankruptcy attorney.

Also, there are more nuances to California exemptions than presented in this short article, which is another reason to retain an experienced bankruptcy attorney.

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