

Credit Card Debt in Bankruptcy

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Credit card debt is one of the main reasons individuals seek bankruptcy protection. Therefore, it is important for consumers to understand how credit card bills are treated in their case. Most credit cards are unsecured, which means they are likely to be discharged (eliminated) during your [bankruptcy filing](#). There are rare exceptions for when credit card debt is not discharged.

Pursuant to [11 USC §523\(a\)](#), there are exceptions to the general rule of unsecured debts being discharged. The two most common exceptions that prevent your debt from credit cards from being discharged is (i) if you put false information on your [application](#) to obtain the credit, or (ii) you use the card fraudulently.

A common example of credit card debt being non-dischargeable occurs when the debtor lied on the application to qualify for the credit. This includes lying about your salary or the amount of debt you already have. If a credit card company is successful in proving a debtor obtained credit based on false information, the [bankruptcy court](#) may hold the debtor liable for paying the total amount due on the card, even after the conclusion of the case.

Actual fraud is typically shown when the debtor makes purchases with the specific intent to discharge the debt in a bankruptcy filing. This may include maxing out the limit on a credit card to purchase frivolous items or continuing to use the card up to the date of the bankruptcy filing.

It is rare that credit card charges are not discharged in bankruptcy. However, if you are considering filing a Chapter 7 or Chapter 13 case, it is important to discuss your credit card debt with a qualified attorney at [The Koplen Law Firm](#).

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About The Koplen Law Firm

If you are interested in learning how filing a Chapter 7 or Chapter 13 bankruptcy could benefit you, contact [The Koplen Law Firm](#). Bankruptcy is designed to give people who are in financial difficulty a "fresh start." Thus, if your debts are causing you undue stress, you should call us at [\(845\) 623-7070](#) for a consultation to discuss whether bankruptcy is the right option for you. Our offices are located in New City and New York City, New York.