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with your debt situation.

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START living again.***

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Learn from others how Woodall & Woodall have helped free them from the heavy burden of debt:

Thank you for being so great in a time of need. Your office has been more than helpful with any situation that I have had. I appreciate the kind and generous people working at Woodall and Woodall. All the attorneys go above and beyond to make you feel comfortable. They are always available and respond quickly to any questions.

Sincerely,

Stan R., Valdosta, Ga.



The professionalism, efficiency and client service I have received from Woodall & Woodall has been in a class of its own. Orson and his firm haven't just raised the bar, they've taken it to a completely new level. Those looking for professional, conscientious representation with excellent client service can't go wrong with Woodall & Woodall.

I was at first hugely hesitant to work with a law firm about my financial situation. But I've got to tell you the responsiveness and in-depth attention we've received from Orson Woodall and his team, have been absolutely amazing. He's completely won me over with his professionalism, dogged work ethic, and incredible attention to detail.

Mr. Woodall's work for us on our proceedings has without fail provided us with great knowledge, perspective, and dedication. He is timely, efficient and we will continue to trust his skills to guide us through this ordeal and any other that arises.

Mr. Woodall and his staff is truly an awesome lawyer and a good person. Woodall and Woodall kept telling me that everything would work out fine and it did. I would highly recommend him. This law firm had my interest in mind. They work for you. He knows and understands the law.

Sincerely,
Tony L., Georgia



I would like to thank you for assisting us with one of the most difficult and challenging periods of our lives. We were very grateful for your assistance, support and understanding during this trial in our personal lives. We had never experienced the 'journey' of personal bankruptcy and we were relieved that someone of your expertise was available. It was a great comfort to have someone of your integrity and character guide us during this difficult period. We will never forget the kindness and understanding show to us, and we will always be grateful our paths crossed in life. You exhibited exemplary professionalism in every stage of the process, and went above and beyond to assist us. We will always remember you with gratefulness in our hearts.

Glenda L., Georgia

My name is Joseph and I am writing this as a testimonial to commend the exceptional efforts of the law offices of Orson Woodall. I came to Mr. Woodall at a time when I had experienced a number of significant setbacks due to the declining economy and changes in my chosen career field.

I was in a very vulnerable position and not sure what options I had or how to proceed in executing a plan to get back on track. Mr. Woodall evaluated my particular set of circumstances made a very simple and straight forward plan to put me on the path to recovery.

I am eternally grateful to the law offices of Woodall & Woodall for their level of commitment and professionalism that they extended to me and my family at one of the most challenging times of our lives.

I would recommend their services to anyone that is in need of their legal advice and services. To sum it all up in a phrase I would say "Legal expertise with a personal touch." I extend a heartfelt thank you to the entire staff at Woodall & Woodall.

Joseph S., Georgia



Introduction

By Orson Woodall



I have never had to file bankruptcy.

If I had known when I was in my early 40s what I know now, I probably should have. Like many of the people I now help every day, I made some decisions that jumped up and bit me. Today, that story is part of my “WHY.” In other words, my own experience helped shape what I do today to help others who find themselves struggling under similar undesirable conditions.

My family was in the broadcasting business – small market radio. I went to college, but after finishing my undergraduate degree from the University of Georgia, I didn't go to law school. I was young and started buying, operating and managing small market radio stations. At one time, I had about 15 radio stations and was running all over the country killing myself trying to make a living in the exciting world of broadcasting.

I made some bad investments buying some stations. In the mid-1980s, I lost everything when a radio station I bought—the biggest purchase I ever made—went south.

Everything was gone. I blew it all.

I was 40 years old, and I sat around thinking: I'm a great salesman. People will start beating the doors down for me to come and work with them. But the phone just didn't ring.

I needed to find something I could do. I got to thinking that I could do a better job than any of the attorneys I had ever hired. I was a voracious reader,

and at that time in my life, I thought attorneys read books all day long.

I took my brainstorm to my wife and said, “Baby, we're fixin' to give the house back.” (She already knew this) and “We're fixin' to lose the cars.” (She knew this too). “And, you've got to go back to teaching school.” (She had already decided herself that this was going to be necessary).

Finally, I laid the last bombshell on her:

“And, we're moving in with your Mama and Daddy.”

Amazingly, she agreed to my plan and before long, I applied to law school. I took the LSAT and threw some kind of quirky answer on some test that I'd run out of time on. I scored in the top 5% of the nation.

Next stop was law school and with that, off I went. At that time, my son who now practices with me, was about 13-14 years old. He was moved into his grandparents' home along with my wife. I went off to school up in Macon, Georgia--about a 2 1/2 hour drive away. I would come home every weekend, and I would call home every night to talk to both of them. My wife was under great strain through this difficult time because of everything hanging in limbo, and I remember listening to her cry.

As I explained, my son was not a small child. He was a young teen who had to deal with the social ramifications of his friends knowing or not knowing where his family was financially. He lived through moving in with his grandparents and saw his Mom

return to teaching. His whole world was turned upside down.

It was a tough time, but together as a family, we got through it. The challenging change was worth it, I am happy to say, and we've been very well-rewarded today.

When I got out of law school, I was 44 years old and got my first job as an attorney working with a multi-practice firm. However, it didn't take me long to see that there was a need in the community for better debtor representation. I decided I was the man to do it, and I went out on my own.

There's an adage reminding all successful people: “Never forget where you came from,” and I remember it every day. I've got a lot of compassion for the people that are filing. I've been there. I know what it's like to sit in a room and just stare at the corner. Experiencing that kind of disappointment and struggle can suck the life out of you. You may stay up all night long with your eyes wide open in bed, gazing at the ceiling with worry.

“What the heck can I do to get out of this problem?”

Sometimes there just aren't any answers.

These experiences built a strong sense of empathy within me. Today, I truly feel that filing the bankruptcy would have been a better decision for me than struggling as long as I did. It would have freed me from a lot of that pain.

And that's how I got started in bankruptcy.

I understand what it's like to be beat on by creditors. I know what it's like to have that elephant sitting on your chest, the burden so heavy that a man can barely breathe. After I talk to clients, they tell me, "I feel like a weight has been lifted off my life."

Besides the fact that I offer a sound service that helps people every day, I love what I do because I learned something else about law: bankruptcy is the only practice of law where your client ends up absolutely loving you.

After more than 20 years, I still enjoy coming to work every day. And that's why I decided to write this small book to share the TRUTH about bankruptcy in Georgia. I wanted more people to have the facts so that they can educate themselves BEFORE they even visit my firm.



Today's trends in bankruptcy law that everyone should know

We hear it every day. The economy is improving. Bankruptcies are not relevant any longer.

Hogwash. The economy today is OK for people who have good jobs, and maybe better for those who are educated. But if you have lost your job because your company has downsized, the economy is HORRIBLE. Why? Well, it's because in this new, recovering economy, there are no new jobs being created that pay as well as those jobs that went away because of downsizing.

A good example is the person who worked in the pharmaceutical sales arena. Someone who was a rep for a pharmaceutical company found that many of these departments and companies have consolidated and have squeezed these jobs right out the back door. These former reps cannot go out and find a \$70,000 to \$80,000 job. They are lucky if they can find a \$35,000 a year job. The economy is not working for the middle to lower income groups. It's just not happening. For many of these unemployed or displaced workers, the unemployment payments have run out. It's sink or swim, and many are sinking.

In the US, 90% of bankruptcies are filed because of job loss, medical bills or divorce. Let's take divorce. Here's a situation where you have two

people working in a household with one household to support. Then, the time comes that they decide the marriage is over and they want to divorce. Immediately their situation pivots to two people working but now there are two households to support, not one. In today's economy, we have constructed a system here in America over the last 30 to 40 years that insists on two incomes to make it all work.

That's why the minute this one household shifts to two, all expenses double, and there are two different rents, two utility bills, two cable bills, and probably two car notes. The bottom line is there are just not enough bucks to go around, and they can't cut it.

This is the really sad thing. Now, as with most divorces, these people suffer the devastation of divorce, but now they have the devastation of debts. When someone comes to see me and they say, "I'm going through a divorce." My first response is, "Look, is there any chance of reconciliation? Your life is about to be miserable." I tell them to go back to counseling because they need to recognize that if they cannot reconcile their differences, there's a huge economic burden headed their way that will not be a simple fix.

The American public is living paycheck to paycheck. If one thing happens to disrupt the flow of income in a couple's life, they are done.



Americans cannot afford to be sick today

Let's say you have medical insurance. You feel pretty secure. You get sick. You have a \$2,000 deductible plus a copay. Though your illness is serious but not deadly, it still takes a few weeks for you to recover in the hospital and at home. At the end of this sickness, you have lost three weeks of income from being unable to work and you have \$3,000 in hospital debt they are trying to collect from you. You can't pay that— and there's just no way to recover instantaneously from that income loss either.

Many of my clients feel a sense of profound failure. They feel that it's their fault. In the majority of cases, bankruptcies are caused by outside forces. Things have happened, and there is no way that they could have foreseen or controlled any of it. While it's true that sometimes people do make poor choices causing outside things to happen, it doesn't really matter, because either way, their medical situation is not necessarily a direct reflection of their inability to manage their bills.

Bankruptcy is a tool

Bankruptcy carries a banner of shame for so many people. It really shouldn't. It's just a tool – and a very handy one for mending stress. This bankruptcy tool is available to help gain relief from the hefty anvil on their shoulders.

I have a statue of Moses sitting on the fireplace mantle in my office. I put him there on purpose. I will have prospects in my office telling me how they are embarrassed to even be in my office. They say, “I just never thought this would happen to me.”

The first thing I do is I ask them to turn their heads to the right and look at the mantle.

I'll say, “You see Moses with the Ten Commandments over there? You may not realize this, but the first bankruptcy debt relief act is in the Bible. Look it up in Deuteronomy and Leviticus. You may have heard the term “The Year of the Jubilee”—it's actually God's debt relief act.”

You'd be surprised at how this small gesture takes the pressure off people. It's one simple thing, but it's powerful. There's a natural state for us humans, bad things are going to happen that require a reset of our financial structure.

And that's why bankruptcy was created.



There's a train wreck headed our way and its name is: Student Loans

Over the last four to five years, people have been using student loans as a form of income when they can't find a job. Why? It's extremely easy to get one. These young people, and even some older adults, cannot find work so they turn, temporarily, to the idea of returning to school, and they take out loans. Before long, they realize school requires hard work and they return to the job force. They are then stuck with the same problems they had before PLUS the debt of the school loan.

These loans are not dischargeable in bankruptcy.

But there ARE options to address these that many Americans do not realize. For example, I've got a lady who's got a doctorate. She owes \$235,000 in student loans. She can't find a job that will pay enough that will allow her to handle the debt on that type of a student loan. This total loan IS higher than normal, it's true.

We have worked with her to file a chapter 13 bankruptcy 60-month plan. We also are filing what is called a low-percentage plan. This allows her to pay very little money back each month, \$123 to \$150. She's going to be in that bankruptcy for 60

months. The student loan people cannot bother her while she is in Chapter 13.

Our strategy is that before the end of 60 months, Congress may act by changing the student loan laws. The fact is, there are more than \$1 trillion in student loan debt out there. My best guess is that at least 40% or up to 50% of those loans are uncollectable. The government is going to have to act to repair the problem.



There are many nuances for handling debt in Chapter 13 and Chapter 7

The bankruptcy exemptions and requirements vary from state to state.

In our part of Georgia, they allow what is called a 0% Chapter 13 plan. The 0% Chapter 13 plan basically does the same thing a Chapter 7 does for unsecured creditors, in most cases. The 0% Chapter 13 plan wipes out all unsecured debt without having to pay anything. In Chapter 13, we can take the secured debt—secured debt such as car payments, past due house payments, furniture bills, things of this nature—and we can lower their interest rates, and occasionally even lower the value. The borrowers may then pay that back over an extended period of time and lower their cash flow requirements on a monthly basis. For example, if a client has been paying \$700 a month total for these debts, we can get that total down to \$450, sometimes less.

Most of the clients in our firm are Chapter 13 filings or of a wage earner reorganization. Most people have credit available to them, albeit very expensive credit, but most people have access to it. If it's a family of two, it's likely they have two financed automobiles. Then, as the family grows, they go to the furniture store and charge furniture when things are going well. This couple may unexpectedly find

out that they owe property taxes or income taxes as a result of an audit. When unexpected things like this happen, they have no money saved nor do they have any access to borrow cash. With Chapter 13, we are able to take those debts of cars or furniture and spread it over a five-year period at a much, much lower interest rate.



Unsecured debt, secured debt...it's all so confusing!

Can these unsecured debt companies take away my TV or my X-Box?

Unsecured creditors are those entities such as credit card companies, medical providers or small loan companies. In the south, there are many of these that loan money and list collateral household goods, such as TVs or I-pads as collateral. These companies do not, however, hold what we call a purchase money security interest in those items. We can protect the household goods and furnishings from the creditor, even if they placed them on the collateral sheet.

Often, people think they are going to lose their computer or TV or all of their necessary appliances, such as the refrigerator or stove. The truth is, they are not going to lose anything. Most times, the lender did not have a purchase money security interest for any of that stuff to begin with. In Chapter 7, I help our clients get rid of all unsecured creditors. Again, I can help them with Chapter 13 and the 0% plan. I can also help the client avoid paying any of the unsecured debt as well.



Chapter 7 isn't the only option for completely eradicating all of the unsecured debt accrued

Most people think that a Chapter 13 filing means that a client must repay all of his or her debt, just by spreading the payment out over a longer period of time. This is a misconception.

If I submit a client's situation to the means test, and they pass (and nearly 95% of people do), I am able to wipe out their unsecured debt without requiring them to pay back anything. And, for those people who have secured creditors, as are the car loans or furniture loans – those items where there's security but they are paying a higher interest rate – I can help them create a five-year plan where they will be paying back this debt at a lower interest rate and over a longer period of time. Ultimately, the average total payment out of the door each month to creditors is far lower than what they were paying at the time they came to see me.

For example, let's take the person who walks in to see me and owns a 10 or 11-year-old mobile home financed over 30 years at a high interest rate. I can help take the balance on that mobile home, pay off the mobile home value over a five-year period PLUS arrange a payment that is less than what they

are currently making PLUS the home will be paid off in five years instead of the traditional 20 years!

It's ASTONISHING! Do you see why we are so lovable?!!



Isn't it possible for an individual to handle this on his or her own?

Well, the truth is, most people could pull off a Chapter 7 on their own with some tools online. But for those who must file bankruptcy, it's important to have a good understanding of the concept of what bankruptcy calls "exemptions." These exemptions vary from state to state, and in Georgia, they are VERY specific and pretty limited when compared to those in many other states.

Let me outline an example of a problem that do-it-yourselfers create for themselves. Let's say a couple prepares to file a Chapter 7. All of a sudden, right before they file, they transfer some property out of their names and into the name of a family member. The idea is they think they have protected that property from being seized by creditors and that they are safe. Yet, the true result emerges very soon afterwards, and that is that the trustee goes and reverses that transfer. In Georgia, the trustee can go back four years under the Georgia Insolvency Act and void any transfer to a family member that was done for lack of adequate consideration.

It's a very dangerous, dangerous thing to pursue a Chapter 7 on your own without the assistance and knowledge of an experienced bankruptcy attorney. Frankly, in all my years of practicing, I have yet to hear of someone successfully

filing Chapter 13 on his or her own. In fact, with the changes in bankruptcy law, it's unlikely any layman in the world today could accurately administer the means test. It just isn't going to happen.

To sum this up, you may file a Chapter 7, but you will not be able to do it again for eight years. You may file a Chapter 13, but you won't be able to do it again for another four years. You get ONE shot at getting this magic bullet right. That's ONE CHANCE to free up your life today, now, and do it correctly. Trying to save money by doing it yourself could cost you dearly and not only financially. The negative results are limitless of what this kind of mistake could cost in stress, hassles and in preventing you from moving forward. The amount of money you *invest in an experienced bankruptcy attorney working solely for your best interest, is well worth the investment.*



I had to file for bankruptcy when I was sick 10 years ago. I'm in another difficult spot.

You can't file two times for bankruptcy, can you?

Have you ever heard of someone having two difficult life events happen in a 10 year period? Of course, you have. It doesn't seem fair but we all know, lightning CAN strike twice in the same place. The law provides for people to be able to file for Chapter 7 bankruptcy once every eight years.

It's possible to serial file Chapter 13s. If you file a Chapter 13, there's a four-year wait from one Chapter 13 to the next. And, if you file and your case is dismissed, you can re-file immediately. This is fairly common. But even if you did get a discharge, you generally file the 60-month plan so at the end of the 60 months, you can turn right around and file another Chapter 13.



There have been so many changes in bankruptcy law and there's a lot of misinformation out there

What IS the truth about what I can and can't do?

When the laws last changed, a layer of complexity was added to the process. A Means test was added that requires the attorney to submit his client's situation through various questions. This requires that I take the client's last six months of income data, arrive at a monthly average, project it for the next 12 months and then arrive at a yearly amount. I compare that average income to the average income for a family of that size in our area. If it's over 50% more than the average income, the filers have to do a 7-page calculation using IRS standards for an offer in compromise. This will figure in all household expenses, food, clothing, medical and that sort of thing. We then deduct any secured payments such as mortgage or car payments, over a 60-month period. And, if three years or more is left on the car balance, they will then re-amortize it over 60 months to come up with a number. And then, if there's any money left over, the filer is supposed to pay that amount to the unsecured creditors in a Chapter 13. If it is in the

negative, the filer qualifies for a Chapter 7 or a Chapter 13 zero-percent plan.

Yes, the law change made the process very complex. The average person who does not know what he or she is doing in the means test, can truly create a mess. What's more is once the means test is completed, there are still the schedules I and J and the code that must be addressed and the creation of a real-life budget that must be followed.

Let me tell you about one of my clients. He passed the means test but when it came to the real-life schedule, we could not get rid of all of the income under the real-life schedule. Whether he was making more money now or whether it was just a quirky thing that worked out that way, that's how it was. Complicated laws make figuring all of this difficult for the average person to work out alone.



The worst part of the new US Bankruptcy law?

Few people truly understand what bankruptcy is and what it isn't

Many people think the new laws require people to pay back all of one's debt.

It's a misconception that the new bankruptcy laws require full payment. Credit counseling companies advertise that they have different or better solutions than bankruptcy. My advice to anyone is, if you see a credit counseling or debt consolidation company advertising on TV, RUN!

They are going to rip you off. These companies get their hooks into you, they take your money and make some pretty wild promises.

Think about it. All they need is have one out of ten negotiating creditors say, "NO, I'm not going to agree to this." Before you know it, you are being sued. Georgia is a state that makes collecting money easy. Once a creditor secures a judgment against you, they can garnish your wages and take up to 25% of your take-home pay. In Georgia, it's rare for any of these companies to get a creditor to agree with a program, and because you will never get 100% participation, you still have creditors to deal with.

What's even worse is that whatever the credit card companies DO write off, you will have to pay taxes on. Why? Because these credit card companies are going to supply you with a 1099 for the balance they wrote off, and the IRS is going to treat it as an ordinary income. So yes,

you may not have to pay that back to the creditor, but Uncle Sam will see that you pay him taxes on that forgiven debt.

Here's an example. Let's say I have \$50,000 in credit card debt. A debt reduction company negotiates my debt down to \$25,000. At the end of the year, I get a 1099 for \$25,000 of income that never passed into my hands, and I never saw it. Yet, I will have to claim that income on my federal income taxes and pay taxes on it because I already spent it without seeing it. The bankruptcy will cancel that tax attribute.



I feel like I'm the only one who has to file for bankruptcy. I don't know a single person who has filed.

I betcha' do (and probably more than one), you just didn't know about their problems. Not only are there many, many people just like you who have chosen to file for bankruptcy but there are many, many celebrities, successful business people and notable Americans who have been forced to file at some time during their business lives.

Who, you ask? Well, you are in some pretty fancy company.

Charles Goodyear, who invented vulcanized rubber; PT Barnum; L. Frank Baum; Matthew Brady; Oscar Wilde; Jerry Lee Lewis; Rembrandt; Henry Heinz; Milton Hershey; Henry Ford; Johnny Unitas; Wayne Newton; Debbie Reynolds; John Connelly; Walt Disney; Mick Fleetwood; Merle Haggard; Ulysses S. Grant; Dorothy Hamill; Larry King; Bowie Kuhn; and Stan Lee, and many, many more.

I tell people all of the time. I am a living example of someone who has gone broke and has come back. I now make a nice income; I have a house at the country club, a paid-for place at the beach and a nice car to drive. I also tell them, this is not *all* that life's about, but I have plenty of 'toys' – probably more things than I really need.

Finally, I let them know that bankruptcy isn't the end of the world. It's the beginning of their world.

I'm going to share a quote I heard from Tammy Baker. Perhaps you remember her and her husband Jim Baker, the TV evangelists. Jim Baker went to prison. Tammy recovered from the controversy and died in recent years. I heard an interview with her right before she died. She was asked, "What did you think about all that money you all had when you and Jim had your ministry, The PTL Club?"

She answered, **"You know, money is funny. When you've got it, you don't think about it. When you don't have it, it's all you think about."**

The amount of money you owe is kind of irrelevant when it controls your life. If you are making \$25,000 a year, and you owe \$15,000, it's just like owing \$2 million when you make \$1 million a year. Pressure is pressure. It doesn't really matter what the amount is, what matters is how the debt affects your life.



I am worried about my debt, and I feel like I can't trust anyone

Credit scoring companies are probably the worst thing to ever happen to American credit.

I had a good friend I knew when I first moved to Valdosta. I was a good bit younger then. His name was Ray Steele. Ray was the president of a local bank. One day, I was talking to Mr. Steele, and I said, "Mr. Steele, tell me when you know somebody is in trouble."

He said, "Orson, it's pretty simple. Any time you have more than 25% of your annual income in unsecured debt, you're in deep doo-doo. That's a pretty good measurement right there."

Here's the way the credit reporting companies work:

You finally get approved for credit. The next step is, you borrow money. You pay for that credit. You are rewarded with an increase in your credit score. What happens next? Gosh, more people want to loan you money. So what do you do? Naturally, you borrow more money. And, you pay that too. Voila! Again, they increase your score, just like before. You feel good about, so far.

Throughout all this, the increasing debt they keep approving is piling up. You think it's ok because 'why else would they keep increasing my credit score?' Then, all of a sudden you reach a tipping point to where you find yourself right up to the edge of the cliff. And then what?

The unthinkable happens. There is a car accident, you get ill, you find yourself out of work unexpectedly (you name it). The next thing you know, your balanced life is in chaos, and you slid over that edge and fell down the chute.

UNDERSTAND THIS: The US credit system is built to make people fail.



Bankruptcy sounds like a good option for me

The one thing that really is frightening is that I'll never be able to get a car loan or a credit card again

This is simply and absolutely not true. Despite what many may think about bankruptcy attorneys, I, for one, will do what I can when someone comes in for a consultation to keep them OUT of bankruptcy if at all possible. If I can find a way to restructure their finances, that's what I aim to do. Oftentimes, I get someone in my office that I determine to be bulletproof.

He has nothing. He receives disability income that is not permitted to be garnished, and nobody can get his money. He has no land to protect and no property to speak of. I tell these people not to file. Others, though, have been able to recover their finances. Many have even been able to buy a home within a year of filing for bankruptcy.

Future credit is determined by several things: your income at the time of your application for credit and the down payment you can put on a loan. If you are able to put a decent down payment on something, you can get financing almost immediately. I have had people buy cars within a year of filing, and I have had others file and buy cars while they were *still in* bankruptcy. Of course, these people pay a little higher interest rate, but you know cars break down, even during a bankruptcy.

My advice to anyone filing bankruptcy is to go online and look up 'secured credit card'. There will be 20 or 30 different banks pop up offering these. How it works is you receive a credit card from this bank after you deposit with it funds matching the credit limit. Let's say you want a credit card with a \$500 credit limit. You save up \$500 and you deposit it in this card. You may use this card to hold reservations for hotels or rental cars. I suggest my clients use it for small purchases and pay it off every month. Eventually, unlike a debit card, the card becomes unsecured and your limit increases.



I know this is a good option for me but I can't stand the thought of everyone knowing I filed for bankruptcy

NO ONE NEEDS TO KNOW. When you file for bankruptcy, no legal ads are run anywhere. There won't be any notice in the newspaper like a foreclosure notice or lawsuit or anything of that nature. It WILL appear on your credit report but how many of your friends run credit reports on you after they meet you? Of course, they don't.

The hearings are held, and the only people who know this are the people at your hearing—the trustee that runs the hearing, some other attorneys and other people who are filing bankruptcy in the courtroom that day. ***The newspaper does not cover bankruptcy court and no legal ads are run in the newspaper.***

What's more is there are so many more people who have filed in recent years, chances increase that you know someone else who has filed. I practice in a county of 75,000-80,000 people. I have filed 20,000 bankruptcies, if you do the math, that's 25% of the population in our county.

I worry about creditors showing up at my job

‘How embarrassing’

This almost *never* happens. And, in the unlikely situation that it does happen, the law is on *your* side.

Once you file for bankruptcy, an automatic stay goes into effect. This disallows creditors from visiting your home, attempting to collect the debt, calling you, or harassing you. They can't even send you a bill!

For example, I just settled a case for a guy. He filed a Chapter 13 bankruptcy. He abandoned a piece of property in Florida. A large national bank called him about the house loan that he had abandoned. We called them and told them that he's in bankruptcy and to please not call him.

But they didn't stop.

They kept calling him, so we sued them. The judge awarded him and charged the bank the \$1,000 fine for violating an automatic stay. It's true, the government does protect you. This same guy continued to be hassled by the bank. We sued them AGAIN. This time, he was awarded \$6500. Another three or four years go by and he gets his discharge. As soon as they receive the discharge, believe it or not, the bank does it again. We reopened his case and this time, we settle for \$19,000.

Of course, this is an unusual case. But, the point is, the creditor IS fined severely for violating the stay.

Just remember: **The law is on YOUR SIDE when it comes to harassment from creditors!**



I can't bear to lose my house

If I file bankruptcy, will I have to give up my home?

This is probably one of the most significant misconceptions. You can keep your home. In a Chapter 7, you reaffirm the debt. In other words, you sign an agreement that says “I will continue to be responsible to someone for the home. If I don’t pay, you can foreclose on it, and sue me for the difference.”

And in Chapter 13, if you’re current, you just continue to pay them as you always have, and they’re happy.

For those who are behind on payments, though, we can do a home modification application, a federal HARP process.

Let’s say you’ve done an application to modify your home. You are told not to make the full payment. Unfortunately, our creditor takes six, sometimes nine or ten months before they give you an answer. It’s common for them to lose your application and the paperwork three or four times only to return a decision of not to modify. Now you’ve not paid the full amount for ten months and you’re behind \$5,000, \$10,000 or maybe \$15,000 on the house payment.

The creditor then tells you that they want their money or they’re going to foreclose on your house. Our answer to this situation is we then file a Chapter 13, take

the past due portion of the house and cure it over a 60 month period. You continue to make your regular house payment. The house is saved! This happens all the time.

The choice is up to the clients—if the house is under water and they want to let it go, they may. But if they want to keep their home, they can reaffirm the debt on their house and keep it. And, whether it's through a Chapter 7 or a Chapter 13, if they are late on payments, they have options to be able to remain in their home.



I have an agreement from a creditor that says I cannot legally file for bankruptcy

Many small loan companies put language on agreements stating the borrower may NOT file for bankruptcy. It's NOT LEGAL for any company to include this verbiage. The clauses are void. No one can deny your right to file for bankruptcy.

It's a federal law, and you have an inalienable right to file.



People have said that if you owe taxes to the IRS you can't discharge them in a bankruptcy.

Is that true?

That is not true. Taxes fall into two different classifications. There are priority taxes; (I'm talking income taxes), and priority income taxes are taxes that have come due in the last three years. Priority taxes are more nondischargeable but can be paid back in a Chapter 13 bankruptcy over a five-year period. Non-priority taxes are taxes that are older than three years from the date of filing. These taxes are dischargeable.

Timing the filing can be critical. It's three years from the date you file, but I'm using April 15 as if they filed it on time, just didn't make the payments, or they got audited and owe monies. So those are the priority taxes, the three years or less. The three years or more, if you filed your tax return like you're supposed to, are dischargeable.

All taxes due--income taxes due--would be 100% dischargeable if they're older than three years.

If a tax lien is filed against you in the county where you live, in Georgia they may have a secured claim in a Chapter 13. They would claim a security interest in your stuff, and so if your stuff totaled, we try to low ball the stuff, but if your stuff totaled up to, let's say, \$3,000, they may have a security claim of \$3,000 that would have been paid back through the plan. If you own real estate and there's a tax lien against it, they won't cancel the tax lien. We can do a lien strip assuming there's no equity there, but the tax lien itself expires in ten years anyway. So that generally is not exactly a problem for people.



Is there a solution for me?

My unpaid back taxes are not older than three years

Yes. We would file Chapter 13 reorganization. We would take the taxes, say they were \$6,000, and we would do a 60-month plan and pay them back at \$100 a month. If you were to work out a repayment plan with the IRS, you would have to repay that amount in 24 months, not 60, and you would be levied the prevailing interest rate too.



Why Woodall and Woodall?

What does YOUR firm offer that will make me choose you?

Even if you decide NOT to hire us, it doesn't cost you a single dime to come in and get a free consultation.

One of the most dangerous things in the world is ignorance, not knowing what your options are. You cannot make good business decisions or good financial decisions unless you have a complete understanding of everything about your financial position. It is really foolish to send good money after bad.

What do I mean by that?

I have a lot of people come in and sit down to talk to me. They say, look, my in-laws will loan me \$25,000 to get this thing under control. This couple may owe \$125,000. I will tell them, \$25,000 is going to get it under control for this month.

What happens three months from now? It's going to be out of control again because you just don't have enough income to support this kind of debt. Why then, do you want to chase bad money with good money? Isn't it much wiser to file either a Chapter 7 or a Chapter 13 and save the reserve that you've got from that family member? Once this crisis is past, you can use that reserve to get a stronger position of being on your feet. It can be

used to help you buy a car when you need one. You can pay them back at a lower interest rate than you can get in the marketplace but it's a higher return for them than they would get with a CD. That is a win/win situation and a good demonstration of good money after GOOD money.

Another reason to hire us is our advice suits the individual. The truth is, we send a lot of people away from here and tell them not to file. I often tell people, "I'm going to be the first attorney you ever meet that says don't pay me any money, and that is pretty rare."

Another compelling reason to hire our firm is we have the experience and the knowledge to do the job. What's more, we are incredibly fast. Let's say you call me on the phone today, we talk and decide on a Chapter 13 plan for you. I e-mail you our form, and if you get it back to me tomorrow, I'd have you filed within three days. We are fast.

I just had somebody bring in some paperwork from another firm. They took it to them over a month and a half ago, and they still have not been filed. That'll never happen with us. We move. We are responsive to our client, probably sometimes to a fault. I had three people walk in my office today without appointments, and I've been able to take care of every one of them. If you call, you're going to get a call back, unless when we call you aren't home and you didn't have an answering machine.

Lastly, hire us because we've got compassion. We know what it's like. We've got three attorneys that are assigned to every case, and if I'm not available, Will is. If Will's not available and I'm not either, Matthew will be and vice versa.

It's always very easy to talk to somebody. Our staffing position is that we never leave the office without an attorney, unless there's just an absolute emergency or unforeseen circumstance such as a funeral.

- We've got a combined 32 years of bankruptcy experience in our office to work for you.
- We've represented more than 20,000 individuals in bankruptcy.
- We have excellent client communication, and we ALWAYS respond completely and in a timely fashion with all calls.



**Learn MORE about how YOU can find relief
with your debt situation.**

Call our office TODAY!

*Make your appointment for a FREE
CONSULTATION (A \$195 value)*

***STOP worrying
and START living
again.***

*We'll share your options with you so YOU can
decide EXACTLY what feels right for you!*

My last words: Orson Woodall

If you read this—start to finish—you learned I have a heart for good people who have found themselves in difficult circumstances.

Keeping with my reason for choosing bankruptcy as a practice, I like being able to sleep at night knowing I have helped make life a little easier to handle for my neighbors.

Hopefully, you learned something through reading my little book about the TRUTH surrounding filing for bankruptcy in Georgia. If you are still feeling uneasy or confused, the best way to truly discover your best options, is to sit down together in my office and explore all possible avenues to resolve your financial situation.

You won't lose a thing because we will meet with you for the first time for absolutely free.

Just send an email to orson@orsonwoodall.com or call **229-329-6511**.

I am truly hopeful that I helped bring some clarity during a particularly murky time.

Warmest Regards,

Orson Woodall

Woodall & Woodall:

A Family Law Firm That Cares

Financial hardships can be a result of many different factors: loss of job, mounting medical bills, divorce, predatory lending practices, and unfamiliarity with financial planning; the list can go on and on. No matter the reason, the results are generally the same; harassing phone calls from creditors, threats of foreclosure or repossession accompanied by anxiety or depression from the feeling that you are now in a situation that you can't resolve by yourself. The good news is there are actions you can take to restructure your debt and get back to living a more financially stable life.

With 25 years of experience, Woodall and Woodall has assisted over 20,000 individuals get their financial issues under control and take their life back. We are a Valdosta-based personal and business bankruptcy attorney's office with a legal staff that has well over 32 years of bankruptcy experience. Our practice is dedicated to providing professional legal services with a small town personal touch. Our office stresses openness and believes in being available to answer any questions you may have about your case. Our attorneys consider each client's situation unique and that ensures you are treated like an individual; with respect and dignity. We take great pride in returning calls ourselves, rather than having a legal assistant do it for us.

Let us help you through this difficult time.

Call **229-329-6511** to learn what your options are and how we can assist you in getting back on financially solid ground.



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