



**UNITED STATES
BANKRUPTCY COURT
DISTRICT OF COLORADO**

Guide for Debtors Filing Bankruptcy
Without an Attorney

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Introduction

Welcome to the Bankruptcy Court for the District of Colorado. Our mission is to provide exceptional service to each and every customer. This guide provides basic information to prepare your case for filing, explains what is expected of you while your case is pending, and details what you may expect after your case is closed. As you go through it, please reference the glossary for definitions of common bankruptcy terms. Also, there is an overview of the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure you may find helpful.

Please review each section carefully prior to filing your case. Then refer to sections again as necessary during and after your case is filed and later closed.

In addition to this guide, please read [Bankruptcy Basics](#), published by the Administrative Office of the United States Courts, and view [online videos](#) outlining various aspect of bankruptcy cases. These resources can give you a broad overview of how bankruptcy works.

If you have any comments regarding this guide, any suggested topics, or if you believe an existing topic needs elaboration or clarification, please write the court at:

Kenneth S. Gardner
Clerk of Court
721 19th Street
Denver, CO 80202

Overview – the Code and the Rules

Bankruptcy is a legal procedure developed to deal with debt problems of individuals and businesses. Specifically, it involves the filing of a case under one of the chapters of Title 11 of the United States Code (the [Bankruptcy Code](#)). The federal laws enacted by Congress constitute the Bankruptcy Code.

Bankruptcy laws in the United States have changed significantly since their inception in 1787. A substantial change occurred in 2005 when Congress passed the Bankruptcy Abuse Prevention and Consumer Protection Act (BAPCPA). BAPCPA made several significant changes to the law affecting consumer debtors like you, including a “means test” requirement in chapter 7 cases, additional provisions under 11 U.S.C. § 707(b) regarding dismissal for abuse, and limitations on the automatic stay for those who file more than one bankruptcy case.

In addition to the statutory requirements of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure ([Federal Rules](#) or Fed.R.Bankr.P.) are rules developed to secure the just, speedy, and inexpensive determination of every case and proceeding pending before the bankruptcy courts. These rules govern the conduct of all cases. Courts also develop their own set of local rules to promote simplicity in procedure, fairness in administration, and efficient determination of contested matters. You will often see the Bankruptcy Code and Rules cited in notices and orders you receive from the Court.

As you are filing your case without an attorney, any reference in the Colorado Local Bankruptcy Rules to “attorney” applies to you, unless otherwise noted. In addition, any reference to “debtor” includes both “debtors” in a joint case.

Free or Low Cost Legal Help

The decision to file for bankruptcy is a serious matter. Depending on your financial condition and the reasons for filing, the consequences of filing for bankruptcy protection may outweigh the benefits. The timing of the filing may be very important as well.

The Colorado Bar Association has a new, **free** program called the Pro Se Bankruptcy Clinic that helps people with their chapter 7 bankruptcy cases. The Clinic gives limited scope legal advice, by phone or video appointment, to individuals who do not have lawyers. Due to Covid-19 precautions, the Clinic currently is operating remotely. The Clinic counsels on:

- Eligibility for bankruptcy protection,
- Drafting petitions, schedules and responses,
- Court procedures, orders, rules and forms, and
- Preparation for meetings of creditors.

For more information and to do an intake, go to the Colorado Bar Association’s website: <http://www.cobar.org/bankruptcy> or call 720-633-8866.

While you may be able to successfully prosecute your own case, bankruptcy is a complex process and we highly recommend you retain the services of an attorney. If you need help finding a bankruptcy attorney or you feel you cannot afford an attorney, there are options for free or lower cost assistance based on your income and assets, including:

[Colorado Legal Services](#)

303-837-1321

[Metro Volunteer Lawyers](#)

303-871-6140

[Southwest Bar Volunteer Legal Aid, Inc.](#)

970-247-0266

[Weld County Legal Services](#)

970-356-4356

The Denver Bar Association offers free monthly bankruptcy clinics at the Courthouse. Click [here](#) for the full schedule. More resources are available through the [Colorado Bar Association](#).

Please keep in mind that Court staff are prohibited from engaging in unilateral or ex parte communications with creditors, debtors, and attorneys. We are further prohibited from providing advice to parties regarding their rights with respect to a bankruptcy case or proceeding before this Court.

Overview - Chapter 7 and Chapter 13

The most common types of bankruptcy cases are Chapter 7 and Chapter 13. Petition packets for [chapter 7](#) and [chapter 13](#) are available on the Court's website. Chapter 7 is a liquidation chapter. In chapter 7, the trustee reduces your nonexempt assets to cash. Exempt assets are property you can keep. Non-exempt assets are a possible means for paying back your creditors. Generally, nonexempt assets include: valuable artwork, jewelry, coin collections, a property that is not your primary home, or a vintage vehicle with equity. The trustee will sell nonexempt assets in order to distribute the proceeds of your bankruptcy estate to creditors. In exchange for your cooperation, full disclosure, and turnover of non-exempt assets, you are entitled to receive a discharge and eliminate most debts.

Chapter 13 is a reorganization chapter available to individuals with regular income who do not exceed certain debt limitations. All Chapter 13 Debtors must propose a plan of reorganization using the appropriate form. A plan requires monthly payments to a trustee who distributes the money in accordance with the confirmed plan. The plan term is between three to five-years, depending on the type of debts you have, your assets, and your income and expenses. As soon as practicable upon completion of all plan payments, and assuming you are eligible to

receive a discharge, you will receive your discharge upon the Chapter 13 Trustee's statement of completion and request for discharge.

Filing a Case

To file a bankruptcy case, you must complete and file a Voluntary Petition using the appropriate official form. Click [here](#) for all official bankruptcy forms.

The Bankruptcy Code requires that you (an individual debtor filing for bankruptcy relief) receive a credit counseling briefing within 180 days **before** you file your case¹. The briefing may be in-person, over the phone, or on the internet, and must be provided by a nonprofit budget and credit counseling agency approved by the United States Trustee. Click [here](#) for a list of approved agencies. The counseling agencies charge a small fee for their services, which may be waived on a case-by-case basis; consult with the counselor about the availability of a waiver. A certificate of completion of the credit counseling briefing must be filed with your bankruptcy petition. There are certain exemptions to the credit counseling requirement if you are incapacitated or disabled, or on active military duty. You must file a motion (written request) seeking a waiver of this requirement at the time you file your case if an available exemption applies to you.

When you file bankruptcy, there are a minimum number of forms you must complete and submit to the court, along with any filing fee, for your bankruptcy to be valid. Below is a list of minimal requirements for filing a Chapter 7 or Chapter 13 case:

CHAPTER 7

- Chapter 7 Voluntary Petition for Individuals Form B101
- Your Statement About Your Social Security Numbers Form B121
- Certificate of Credit Counseling
- [List of Creditors](#)/Creditor Mailing Matrix
- Filing Fee, Application for Individuals to Pay the Filing Fee in Installments B 103A, or Application to Have the Chapter 7 Filing Fee Waived B103B

CHAPTER 13

- Chapter 13 Voluntary Petition for Individuals B 101
- Your Statement About Your Social Security Numbers B 121
- Certificate of Credit Counseling
- [List of Creditors](#)/Creditor Mailing Matrix
- Filing Fee or Application for Individuals to Pay the Filing Fee in Installments B 103A

The next two pages contain comprehensive lists of all required official and local forms to file a complete Chapter 7 (individual) or Chapter 13 case. With that in mind, you are encouraged to go beyond the minimum filing requirements and file a complete petition packet when you

¹ The limited exceptions to this requirement are found in [11 U.S.C. 109\(h\)\(2\)-\(4\)](#).

commence your case. If you file a complete petition packet, rest assured there are no initial document deficiencies that could result in the dismissal of your case at a later date.

U.S. Bankruptcy Court
District of Colorado
Chapter 7 Checklist (For Individuals)

BEFORE YOU FILE:

- Certificate of Credit Counseling
Counseling must be completed within 180 days BEFORE the filing of your bankruptcy case. Click [here](#) for a list of approved agencies. You may seek a temporary waiver of this requirement by filing a written request.

WHEN YOU FILE:

Official Forms:

	Form Number
<input type="checkbox"/> Voluntary Petition for Individuals Filing for Bankruptcy	B101
<input type="checkbox"/> Statement About Your Social Security Numbers	B121
<input type="checkbox"/> Statement of Financial Affairs	B107
<input type="checkbox"/> Summary of Assets and Liabilities & Certain Statistical Info Schedules:	B106Sum
<input type="checkbox"/> Schedule A/B	B106A/B
<input type="checkbox"/> Schedule C	B106C
<input type="checkbox"/> Schedule D	B106D
<input type="checkbox"/> Schedule E/F	B106E/F
<input type="checkbox"/> Schedule G	B106G
<input type="checkbox"/> Schedule H	B106H
<input type="checkbox"/> Schedule I	B106I
<input type="checkbox"/> Schedule J	B106J
<input type="checkbox"/> Declaration About an Individual Debtor's Schedules	B106Dec
<input type="checkbox"/> Bankruptcy Petition Preparer Notice, Declaration, and Signature OR the Notice required by 11 U.S.C. § 342(b) for Individuals Filing for Bankruptcy	B2010
<input type="checkbox"/> Employee Income Records OR Statement Concerning No Employee Income Record	
<input type="checkbox"/> Chapter 7 Statement of Your Current Monthly Income	B122A-1
<input type="checkbox"/> Chapter 7 Means Test Exemption, <i>if applicable</i>	B122A-1Supp
<input type="checkbox"/> Chapter 7 Means Test Calculation, <i>if applicable</i>	B122A-2
<input type="checkbox"/> Statement of Intention	B108
<input type="checkbox"/> Disclosure of Compensation of Petition Preparer, <i>if applicable</i>	B2800

Local Forms:

- Statement Under Penalty of Perjury Concerning Payment Advices L.B.F. 1007-6.1
- [List of Creditors](#)/Creditor Mailing Matrix

Payment:

Current Fee Schedule:

- Filing Fee **OR**
Application For Individuals to Pay the Filing Fee in Installments **OR** B103A
Application to Have the Chapter 7 Filing Fee Waived B103B

U.S. Bankruptcy Court
District of Colorado
Chapter 13 Checklist

BEFORE YOU FILE:

- Certificate of Credit Counseling
Counseling must be completed within 180 days BEFORE the filing of your bankruptcy case. Click [here](#) for a list of approved agencies. You may seek a temporary waiver of this requirement by filing a written request.

WHEN YOU FILE:

Official Forms:

	Form Number
<input type="checkbox"/> Voluntary Petition for Individuals Filing for Bankruptcy	B101
<input type="checkbox"/> Statement About Your Social Security Numbers	B121
<input type="checkbox"/> Statement of Financial Affairs	B107
<input type="checkbox"/> Summary of Assets and Liabilities & Certain Statistical Info Schedules:	B106Sum
<input type="checkbox"/> Schedule A/B	B106A/B
<input type="checkbox"/> Schedule C	B106C
<input type="checkbox"/> Schedule D	B106D
<input type="checkbox"/> Schedule E/F	B106E/F
<input type="checkbox"/> Schedule G	B106G
<input type="checkbox"/> Schedule H	B106H
<input type="checkbox"/> Schedule I	B106I
<input type="checkbox"/> Schedule J	B106J
<input type="checkbox"/> Declaration About an Individual Debtor's Schedules	B106Dec
<input type="checkbox"/> Bankruptcy Petition Preparer Notice, Declaration, and Signature OR the Notice required by 11 U.S.C. § 342(b) for Individuals Filing for Bankruptcy	B2010
<input type="checkbox"/> Employee Income Records OR Statement Concerning No Employee Income Record	
<input type="checkbox"/> Chapter 13 Statement of Your Current Monthly Income	B122C-1
<input type="checkbox"/> Chapter 13 Calculation of Your Disposable Income	B122C-2
<input type="checkbox"/> Statement of Intention	B108
<input type="checkbox"/> Disclosure of Compensation of Petition Preparer, <i>if applicable</i>	B2800

Local Forms:

<input type="checkbox"/> Chapter 13 Plan	L.B.F. 3015-1.1
<input type="checkbox"/> Statement Under Penalty of Perjury Concerning Payment Advices	L.B.F. 1007-6.1
<input type="checkbox"/> List of Creditors /Creditor Mailing Matrix	

Payment:

Current Fee Schedule:

- Filing Fee **OR**
Application For Individuals to Pay the Filing Fee in Installments B103A

How to File

As a debtor filing your own paperwork, you may file documents with the Court using any of the following methods:

- in person at the Clerk’s Office in Denver, Colorado,
- by mail at U.S. Bankruptcy Court, 721 19th Street, Denver, Colorado 80202,
OR
- via the approved filing tool available on the Court’s website under the Electronic Services tab.

After you file a case, you must include your name and bankruptcy case number at the top of any additional document(s) you file with the Court. Your bankruptcy case number is unique to you. For example, a bankruptcy case number looks like this: 17-43212 JGR. It consists of a two-digit filing year, a five-digit extension, and the judge’s initials to whom your case is assigned.



The judge’s initials are important to ensure your document is routed to the correct court staff for prompt filing. [Official Form B416A](#) illustrates the proper form of caption for a motion filed with the Court. For example, a case caption appears at the top of the first page as follows:

**United States Bankruptcy Court
For the District of Colorado**

In re:)	
)	Bankruptcy Case No. 17-10101- HRT
John Doe and)	Chapter 7
Jane Doe,)	
<u>Debtor(s).</u>)	

MOTION FOR [insert relief requested here]

Motions are written applications made to the court seeking an order directing that some act be done. A motion must specify the action requested and the reasons for the request. A motion usually contains citations to the Bankruptcy Code or case law that supports the requested relief.

Time Limits

If you need an extension of time to file any document, and if an extension is permissible in your instance, you must file a motion with the Court **before** the original filing period expires.

Time periods are set by the Bankruptcy Code, applicable Rules, or Court Order, and you will be expected to know when documents are due even though you are not an attorney.

According to the Federal Rules, you have fourteen days from the date your petition is filed in bankruptcy to file certain statements and schedules (if you have not already filed them). In this situation, you will receive a notice from the Court with the date by which to file these missing required documents. If you fail to file them by the date in the notice, or fail to timely seek an extension of time to do so, your case will be dismissed.

Filing Fees

The Clerk of Court collects fees on certain documents. For example, there is a fee to file a new case, amend certain schedules, convert your case from one chapter to another chapter, and file certain motions. Please consult the [miscellaneous fee schedule](#) for all applicable fees.

Court fees may be paid in one of two ways:

1. Online by debit card, PayPal, or ACH at <https://www.cob.uscourts.gov/online-payments> or scan this QR Code;



2. In person or by mail with cashier's checks or money orders made out to "Clerk, U.S. Bankruptcy Court" at the U.S. Bankruptcy Court, 721 19th Street, Denver, CO 80202.

Payment may be made with cash, but the Clerk's Office does not provide change. Further, please do not send cash through the mail. No personal checks are accepted.

If you cannot pay the entire filing fee when you file your case, you must file an application to pay in [installments](#), or an application to have the fee [waived](#) (if you are filing Chapter 7 and are eligible for a waiver). If your application to pay in installments is granted, you must pay the entire fee within 120 days after you file, and the court must approve your payment timetable. Generally, the Court approves a timetable that follows this chart:

Payments/Days After Filing	Ch 7	Ch 11	Ch 12	Ch 13
1 First Payment (within 14 days of the petition date)	\$126.00	\$607.00	\$126.00	\$126.00
Second Payment (within 42 days of the petition date)	\$106.00	\$607.00	\$76.00	\$96.00
Third Payment (within 70 days of the petition date)	\$106.00	\$524.00	\$76.00	\$91.00

For your fee to be waived, the following statements must be true:

- You are filing for bankruptcy under Chapter 7.
- You are an individual
- The total combined monthly income for your family is less than 150% of the official poverty [guideline](#) last published by the U.S. Department of Health and Human Services.
- You cannot afford to pay the fee in installments.

Upon reviewing your application to have the fee waived, the court may waive the fee, set a hearing for further investigation, or require you to pay the fee in installments or in full.

What to Expect During Your Case

Automatic Stay. Upon filing your case, the automatic stay goes into effect. The automatic stay is an automatic injunction, with certain exceptions, freezing collection activity against you. The automatic stay gives you a “breathing spell” – an opportunity to get your financial affairs in order free from creditor interference. However, there are exceptions or exclusions to the automatic stay. They are listed in the Code, see [11 U.S.C. § 362\(b\)](#). In addition, the automatic stay does not last forever, see 11 U.S.C. § 362(c) and (d).

Judge and case trustee. Upon filing, your case will be assigned to a bankruptcy judge and a case trustee. Judges are located in Denver, Colorado, but may travel to Colorado Springs or Grand Junction for hearings to accommodate parties that do not reside in the Denver metro area. The Court also installed electronic systems in its courtrooms to accommodate remote appearances via video conference (if appropriate and allowed on a case-by-case basis). If you file a chapter 7, your case will be randomly assigned to one of the many private case trustees appointed by the United States Trustee Program, a division of the Department of Justice. If you file a chapter 13 case, you will be assigned to one of the two standing chapter 13 trustees in this District.

List of Creditors. You must file an accurate and complete list of creditors which includes the name, mailing address, and zip code of each creditor listed on your schedules. If you subsequently amend schedules and add creditors whose names and addresses were not listed on the original schedules, you will need to pay a fee to the Court, and you must send such additional creditors a copy of the Notice of Meeting of Creditors and any subsequent notice in a Chapter 7 case regarding the bar date (if any, for filing proofs of claim). See [L.B.R. 1009-1](#) for more information on amendments.

Meeting of Creditors (341 Meeting). The United States Trustee and the panel trustees appointed by that office convene and preside over the meeting of creditors. After you file your case, the Clerk will mail you, all parties, and all creditors in your case a notice of bankruptcy filing. This notice will include the date, time, and location of your mandatory 341 meeting with the case trustee (not the judge). Your meeting is held at a location close in proximity to your county of residence. For example, if you live in Pueblo County, your meeting will likely be at

the Pueblo Municipal Court. If you live in Denver County, your meeting will likely occur at the Byron Rogers Federal Building near 19th and Stout Street.

As a debtor in bankruptcy you have certain duties to perform. These duties include providing documents or copies of documents to the case trustee related to your income, expenses, banking history, and other accounts. Additionally, at least one week before your scheduled 341 meeting, you must provide your case trustee with a copy of your federal tax return for the tax year ending immediately before your case was filed and for which a return was filed. The case trustee may send a letter in advance of the meeting to help you better prepare.

Personal Financial Management Course. You must file a statement of completion of a course concerning personal financial management if you are seeking a discharge. Click [here](#) for a list of approved course providers. You will receive a notice from the Court to file this certificate. Failure to file this certificate may result in your case being closed without a discharge. If you wish to reopen your case to file the certificate and obtain a discharge, you must file a separate motion and pay an additional fee.

Email Notifications in Your Case. For your convenience, the Court offers you the option to receive email notifications in your case (in lieu of paper documents through U.S. mail). To request email notifications, please complete and file [Local Bankruptcy Form 9036-1.1](#) with the Court.

To opt-in for email notifications, your email program must have Adobe Acrobat Reader installed. When you opt-in to email notifications, you “opt-out” of receiving hard copies in the mail. Any documents emailed to you will be your only copy of these documents and you will only have **one** opportunity to view them. We recommend you view the document, then print or download it to review later. If you attempt to look at a document a second time, you will be directed to [PACER](#) and required to open an account and pay a fee to view the document. We also recommend that you view and download using a laptop or home computer rather than a smart phone or other handheld device.

Amending a Schedule. From time to time, you may need to file an amendment to your original documents. There is a fee to amend schedules D, E/F, and the list of creditors. Additionally, you must provide notice of any amendment to the trustee and to any party or creditor affected by your amendment. This usually entails filing your amended statement or schedule with the Court, and mailing a copy of the amendments, the notice of bankruptcy filing, and any subsequent notice in the case, to the additional parties/creditors listed on the amendment. See Fed. R. Bankr. P. 1009(a) and L.B.R. 1009-1 for more information.

What to file when amending Schedules D and E/F to add creditors:

- (1) the amended schedule;
- (2) [List of Creditors](#)/Creditor Mailing Matrix (only the newly added creditors);
- (3) the Notice of Amendment to Schedule, [L.B.F. 1009-1.1](#);
- (4) a Certificate of Service, [L.B.F. 9013-1.2](#); and
- (5) any applicable [filing fee](#).

Amending the Statement About Your Social Security Number. You must file the Statement About Your Social Security Number at the start of your case. This document is entered on the docket but is not available for public inspection at the court or over the internet. If you made a mistake on this document, you must correct the mistake, submit an amended statement to the Court, and file a certificate of service (*see* Local Bankruptcy Form [9013-1.2](#) for a sample certificate) showing service of the amended statement on the United States Trustee, the case trustee, all creditors, and credit reporting agencies Experian, TransUnion LLC, and Equifax.

Discharge. Most debts are covered by the discharge, but not all. Generally, a discharge removes your personal liability for debts incurred before your case was filed. A creditor with a lien on property (for example, your mortgage creditor on your home) may foreclose or pursue their state law remedies notwithstanding the bankruptcy discharge; however, that creditor is precluded from seeking a money judgment against you personally for any deficiency. Here are common debts **not** discharged in bankruptcy:

- Domestic support obligations;
- Student loans;
- Debts subject to a pending adversary proceeding;
- Debts for fines, penalties, or criminal restitution obligations;
- Debts that were not properly listed by you in the bankruptcy schedules and list of creditors;
- Debts for certain types of loans owed to pension, profit sharing, stock bonus, or retirement plans; and
- Debts for death or personal injury caused by you while operating a vehicle while intoxicated.

A discharge in bankruptcy releases you from personal liability on certain types of debt. It also operates as a permanent injunction on collection of discharged debts. Your discharge is an important event in your case. If you need a copy of your Certificate of Discharge, you may obtain this [online](#) or in-person at the Court.

A creditor or party in interest may file a lawsuit objecting to your discharge, or the discharge of a particular debt. This lawsuit is called an adversary proceeding. There are very specific procedures associated with adversary proceedings and you are advised to seek competent legal counsel to represent you if you are named as a Defendant in such a lawsuit. The Faculty of Federal Advocates (“FFA”) has a Bankruptcy *Pro Bono* Program that provides representation to certain debtors/defendants based on income eligibility requirements and availability of counsel. Click [here](#) for more information on the FFA Bankruptcy *Pro Bono* Program.

Dismissal. Your case could be dismissed for a variety of reasons, including but not limited to failure to file required documents, failure to file tax returns, failure to comply with a court order, or failure to make plan payments in a chapter 13 case. Regardless of the reason, if your bankruptcy case is dismissed (not completed) you will not receive the benefits of a discharge. The dismissal of your case may affect your ability to file a bankruptcy case in the future. Also, in the event you are allowed to file another bankruptcy case, the protections offered to you by the Bankruptcy Code may be limited.

Closing without Discharge. In certain cases in which the administration is complete, but you failed to meet all the necessary requirements for receiving a discharge, your case will be closed without a discharge. This means you will not receive the benefits of the discharge. If you wish to reopen your case to file the necessary document(s) and obtain a discharge, you must file a separate motion and pay an additional fee.

Administrative Matters

How to Obtain Copies. You have three options:

- Come to the Bankruptcy Court at 721 19th Street in Denver and print off any documents from your case. The cost is \$.10/page, and payment is accepted with exact cash, or – if you do not have an open bankruptcy case – you may also pay with a credit card and photo I.D.
- You may order documents over the phone for mailing to you. The cost is \$.50/page. Please call 720-904-7480.
- You may go to the website <https://www.pacer.gov> and subscribe to their service. You will need to provide a credit card number. Once you have a Pacer login, you may access all documents within your case from any computer or device with internet access.

Questions? You can call the Court, web chat with a live operator, or visit the Court in person if you have an inquiry regarding your case. Court employees cannot give legal advice but they can answer general, procedural questions.

- Help line: 720-904-7480
- Live chat: www.cob.uscourts.gov

The helpdesk for debtors filing without an attorney is available 8:00 a.m. to 4:30 p.m. in the Clerk's Office. You can call or visit in person. The helpdesk is available to provide general and procedural information on bankruptcy cases. The helpdesk cannot provide legal advice, which includes the following:

- Advising you which chapter to file under;
- Advising you whether your debts, including taxes, will be discharged;
- Advising you whether or not you will be able to retain your home, car, or other property after you file;
- Advising you of the tax consequences of filing a bankruptcy case;
- Advising you on how to properly list property, debts, and exemptions on your bankruptcy documents;
- Advising you on the best procedure to accomplish a particular goal;
- Explaining the meaning of a particular law or rule;
- Explaining the result of taking or not taking an action in a case;
- Helping you complete forms;
- Telling you in which state to file your case;

- Explaining who should receive proper notice or service; and
- Explaining bankruptcy procedures and rights.

Definitions of Bankruptcy Terms

This glossary of bankruptcy terms explains, in simple ordinary language, many of the legal terms that are used in cases filed under the Bankruptcy Code.

Adversary Proceeding - A lawsuit arising in or related to a bankruptcy case that is started by filing a complaint with the Bankruptcy Court. Some types of adversary proceedings are set forth in Federal Rule of Bankruptcy Procedure 7001.

Automatic Stay - An injunction that automatically stops lawsuits, foreclosures, garnishments, and all collection activity against the debtor the moment a bankruptcy petition is filed.

Bankruptcy - A legal procedure for dealing with debt problems of individuals and businesses; specifically, a case filed under one of the chapters of Title 11 of the United States Code (the Bankruptcy Code).

Bankruptcy Code - The informal name for Title 11 of the United States Code (11 U.S.C. §§ 101-1532), the federal bankruptcy law.

Bankruptcy Court - The bankruptcy judges in regular active service for each federal judicial district.

Bankruptcy Estate - All property in which the debtor has an interest, even if it is titled or held by another person.

Bankruptcy Petition - The official form that initiates the bankruptcy case.

Chapter 7 - The chapter of the Bankruptcy Code providing for “liquidation” (i.e., the sale of a debtor’s nonexempt property and the distribution of the proceeds to creditors).

Chapter 13 - The chapter of the Bankruptcy Code providing for adjustment of debts for an individual with regular income. Chapter 13 allows a debtor to keep property and pay debts over time, usually three to five years.

Claim - A creditor’s assertion of a right to payment from the debtor or the debtor’s property.

Collateral - The property that can be taken by a secured creditor if the debtor fails to pay or perform as promised.

Confirmation - Bankruptcy judge’s approval of a payment plan in a Chapter 13 case.

Consumer Debtor - A debtor whose debts are primarily consumer debts.

Consumer Debts - Debts incurred for personal, as opposed to business, needs.

Creditor - One to whom the debtor owes money or who claims to be owed money by the debtor.

Credit Counseling and Financial Management (Debtor Education) - Generally refers to the two required courses debtors are required to take in individual bankruptcy cases: (1) Credit Counseling is a briefing from a non-profit budget and credit counseling agency that individual debtors must receive before filing for bankruptcy; and (2) Debtor Education is a course in personal financial management that individual debtors must take after the bankruptcy case is filed in order to receive a discharge.

Current Monthly Income - The average monthly income received by the debtor over the six calendar months before commencement of the bankruptcy case, including regular contributions to household expenses from non-debtors and income from the debtor's spouse if the petition is a joint petition, but not including social security income (and certain other payments made if the debtor is the victim of certain crimes).

Debtor - A person who has filed a petition for relief under the Bankruptcy Code.

Debtor Education - See Credit Counseling and Financial Management (Debtor Education)

Defendant - An individual (or business) against whom a lawsuit is filed.

Discharge - A release of a debtor from certain debts set forth in the Bankruptcy Code. A discharge releases a debtor from personal liability for certain debts known as dischargeable debts and prevents the creditors from taking any action against the debtor to collect the debts. The discharge also prohibits creditors from communicating with the debtor regarding the debt, including telephone calls, letters, and personal contact.

Dischargeable Debt - A debt for which the Bankruptcy Code allows the debtor's personal liability to be eliminated.

Equity - The value of a debtor's interest in property that remains after liens and other creditors' interests are considered. Example: If a house valued at \$100,000 is subject to an \$80,000 mortgage, there is \$20,000 of equity.

Exemptions or Exempt Property - Certain property (generally up to a specified value) that the debtor can keep after filing for bankruptcy.

Financial Management - See Credit Counseling and Financial Management (Debtor Education)

Joint Debtors - Spouses who file a single bankruptcy petition together (a Joint Petition).

Joint Petition - a single bankruptcy petition filed together by spouses.

Lien - The right to take and hold or sell the property of a debtor as security or payment for a debt or duty.

Liquidation - A sale of a debtor's property in order to use the proceeds for the benefit of creditors.

Local Bankruptcy Forms (or L.B.F.'s) - Bankruptcy forms that are used "locally" (that is, in the District of Colorado only). Click [here](#) to view all local forms.

Means Test - Section 707(b)(2) of the Bankruptcy Code applies a "means test" to determine if an individual debtor's Chapter 7 filing is presumed to be an abuse of the Bankruptcy Code.

Meeting of Creditors, Creditors' Meeting, or 341 Meeting - The meeting of creditors required by Section 341 of the Bankruptcy Code at which the debtor is questioned under oath by the trustee and possibly others about his/her financial affairs.

Motion - A request, filed with the Bankruptcy Court, for a particular action to be approved by the judge.

Motion For Relief From Automatic Stay - A request by a creditor to allow the creditor to take action against the debtor or the debtor's property that would otherwise be prohibited by the automatic stay.

No-Asset Case - A Chapter 7 case where there are no assets available to satisfy any portion of the creditors' unsecured claims.

Non-dischargeable Debt - A debt that cannot be eliminated in bankruptcy. Examples of non-dischargeable debts include debts for alimony or child support, certain taxes, debts for most government funded or guaranteed educational loans or benefit overpayments, debts arising from death or personal injury caused by driving while intoxicated or under the influence of drugs, and debts for restitution or a criminal fine included in a sentence on the debtor's conviction of a crime. Some debts, such as debts for money or property obtained by false pretenses and debts for fraud or defalcation while acting in a fiduciary capacity, may be declared non-dischargeable only if a creditor timely files and prevails in an Adversary Proceeding.

Official Forms – Bankruptcy forms that are provided by the Administrative Office of the U.S. Courts, used on a national level.

Petition - See Bankruptcy Petition.

Plan - A debtor's detailed description of how the debtor proposes to pay creditors' claims over a fixed period of time (Chapter 13).

Plaintiff - An individual (or business) that files a lawsuit.

Priority Claim - An unsecured claim that is entitled to be paid ahead of other unsecured claims which are not entitled to priority status. Common examples of priority claims include child support and most taxes.

Proof of Claim - A written statement and verifying documentation filed by a creditor that describes the reason the debtor owes the creditor money.

Property of the Estate - All legal and equitable interests of the debtor in property as of the commencement of the case plus certain other property specified in the Bankruptcy Code.

Reaffirmation Agreement - An agreement by a Chapter 7 debtor to continue paying a dischargeable debt (such as an auto loan) after the bankruptcy, usually for the purpose of keeping collateral (such as a vehicle) that would otherwise be subject to repossession.

Secured Creditor - A creditor holding a claim against the debtor who has the right to take and hold or sell certain property of the debtor in satisfaction of some or all of the claim.

Secured Debt - Debt backed by a mortgage, pledge of collateral, or other lien; or debt for which the creditor has the right to pursue specific pledged property upon default. Examples of secured debt include home mortgages, auto loans and tax liens.

Schedules - Detailed lists filed by the debtor showing the debtor's assets, liabilities, and other financial information.

Trustee (sometimes referred to as a "case trustee") - The representative of the bankruptcy estate appointed by the United States Trustee who presides at the meeting of creditors and administers the Chapter 7 or Chapter 13 bankruptcy case. The trustee's responsibilities include investigating the debtor's financial affairs; determining if there is property that could be sold or recovered for the benefit of creditors; selling or liquidating such property (Chapter 7); reviewing the plan and making a recommendation as to whether or not it should be approved (Chapter 13); and distributing money to creditors.

United States Trustee - An officer of the Justice Department responsible for supervising the administration of bankruptcy cases, estates, and case trustees; addressing fraud and abuse in the bankruptcy system; and performing other statutory duties.

Unsecured Claim - A claim or debt for which a creditor holds no special assurance of payment, such as a mortgage or lien; or a debt for which credit was extended based solely upon the creditor's assessment of the debtor's future ability to pay.

Closing

We hope you find this guide informative. Please contact the Clerk's Office if you have any questions.