

HOW DOES BANKRUPTCY WORK WITH CREDIT REPORTS AND RATING?



A credit report shows how much debt a person has, and whether they have been making the payments on time. It also shows any judgments, bankruptcies, tax liens, and debts that have gone to collections

A credit score shows how likely a person is to repay a new loan.

720



500



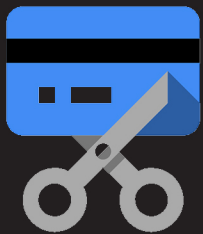
Bankruptcy makes it so that you owe less debt. The credit bureaus must update your reports to say **“\$0, discharged in bankruptcy”** for each debt.

The bankruptcy filing stays on your credit report for 7 years after a chapter 13 bankruptcy and 10 years after a chapter 7 bankruptcy.

CHAPTER 13 BANKRUPTCY



CHAPTER 7 BANKRUPTCY



Bankruptcy is usually good for your credit because it gets rid of the debt. After bankruptcy, there will be no more accounts in collections, no judgments, no late payments, no charge offs.



Bankruptcy lets you get back to paying your bills on time every month. Paying your bills on time has always been the cornerstone of a good credit score.



Most of our clients have a 720 credit score just 2 years after filing bankruptcy. Is that better than your score right now?

