

# bankruptcy basics

## WHAT IS CREDIT COUNSELING?



### What is credit counseling?

Credit Counseling is a **required** class that must be taken **before** you file your paperwork with the clerk's office. Your case **will be dismissed** if you do not.

### How long does it take?

About an hour.

### Can I take the course in advance?

Yes, you can! The certificate is valid for 180 days.

### How much does it cost?

\$10-50, although you can request a fee waiver.

### How do I know what course to take?

The US Trustee website has a list of providers –

<https://www.justice.gov/ust/list-credit-counseling-agencies-approved-pursuant-11-usc-111>.

### How do I take it?

Online or by phone.

### What if I have no time because it is an emergency filing?

In a true emergency situation such as right before an eviction, foreclosure sale, or court judgment is entered, you can request a 30 day temporary waiver.

- You must attach a sheet explaining what efforts you made to take the class, why you were unable to take it before filing, and any extenuating circumstances.

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/ WHAT IS CREDIT  
COUNSELING?

- It is up to the court to approve your reasoning. If it is dissatisfied with it, it can dismiss your case.
- You still have to take the course within 30 days of filing.
- You can file a motion to waive this requirement due to active military status, physical disability, or mental incapacity.

## What is the second course?

There are two bankruptcy related courses. One course is taken before filing bankruptcy – Credit Counseling. The second course is taken after filing bankruptcy – Debt Management – and is required in order to obtain a discharge.

