

The Newsletter



# FAUCHER LAW

TAX & BANKRUPTCY

## *Adding Up the Steps in the Process...*

# How Long Does a Chapter 7 Bankruptcy Take?

Short answer: it depends. A bankruptcy rarely takes less than 4 months from start to discharge, or longer than 8 months. The average for my clients is 5-6 months. Here's the steps in the process and how long they can take.

**1. Retainer & Fees.** A bankruptcy begins when my client signs the retainer agreement between us and pays my fee. Bankruptcy law does not allow me to be a creditor in a bankruptcy, so I cannot extend credit. If a client expresses interest in moving forward with bankruptcy, I send them a retainer within 24 hours. How long they take to sign and pay is, of course, up to them.

**2. Bankruptcy Questionnaire.** This Questionnaire guides clients in providing the information on their debts, assets and earnings needed to prepare the Bankruptcy Petition. Debtors also need to complete a Credit Counseling class. The Questionnaire is a long document and requires gathering everything about a person's finances. As a result, my clients rarely return the Questionnaire in less than a week. Most take about a month, but some take several months.

**3. Draft Petition.** Once a completed Questionnaire is returned Sebastian, my Feline Paralegal, enters the information into software that generates a draft bankruptcy petition. Sebastian typically gets a draft to clients in 3-5 days. Within a week of a draft being completed, I meet with the client. First, we make sure the petition is accurate and fill in missing information. Second, we review the means test – the income my client must be under to qualify for bankruptcy. Most clients easily meet the means test but I sometimes delay filing to take advantage of income fluctuations that enable some clients (such as those paid by commission) to only sporadically qualify for bankruptcy. Third, I recommend minimizing assets that could be taken by the Bankruptcy Trustee. For example, to reduce money in a checking account, I may recommend prepaying a few month's basic living expenses. Any of these three items can delay filing the bankruptcy by several weeks to months.

**4. Filing Bankruptcy.** If there are no changes to the draft petition, then I file it in Bankruptcy Court 1-2 days after

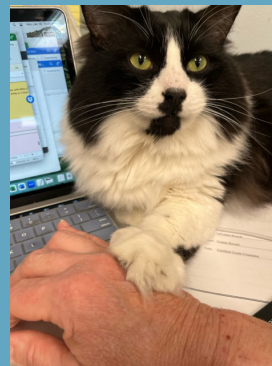
discussing the draft with my client. Some clients need to get me additional information, however, which often takes several weeks. Filing stops every creditor's actions.

**5. 341 Meeting of Creditors.** The date for the 341 Meeting of Creditors is given when the bankruptcy is filed. During this meeting, the Bankruptcy Trustee questions my client about information in the petition. My client's creditors may also show up at the 341 Meeting but they rarely do. The 341 Meeting occurs 4-6 weeks after a bankruptcy is filed. During that time, clients also take a second Financial Management course, and provide me with the documents the Bankruptcy Trustee requests to substantiate the petition. Most clients meet just once with the Trustee, but sometimes a Trustee asks for additional information, thereby "continuing" the case until a second Meeting of Creditors that takes place 2-4 weeks later.

**6. Bankruptcy Discharge.** If the 341 Meeting goes smoothly, then a 60-day clock starts. By law, the Bankruptcy Trustee must wait at least 60 days to issue the Discharge – the legal paper saying the debtor's debts have been erased. Discharges are typically issued 2-3 months following the 341 Meeting.

So, the absolute fastest a bankruptcy will take is 3.5 to 4 months: one-two weeks for the client to complete the Questionnaire and for us to discuss the draft petition; a month to wait for the 341 Meeting; and 60 days to receive the discharge from the Bankruptcy Court.

JDF



## Sebastian Says Use Your Paw to Look Inside:

- Client Reviews
- Sebastian on Bankruptcy Timing
- Restaurant-quality Pad Thai Recipe

## Here's John After Reading Some Recent Client Reviews!

**Exemplary Service!** From the very first correspondence with John Faucher's office, all the way through the finalizing of the Bankruptcy, I received incredible care. John is extremely knowledgeable and professional. He worked with me every step of the way to make sure I crossed every t and dotted every i. His rates are extremely reasonable, in fact **I was surprised at how affordable the cost was in comparison to the incredible relief it brought to my life, and that is an understatement.** My only regret is that I didn't call him sooner. I am so grateful to John and for freeing me from debt that was making my life miserable. Do not hesitate to give him a call for your financial challenges. I promise you it will be the first step to a better fiscal life. Best of luck to all.

Avvo Reviews



John was referred to me by my accountant for advice on a possible bankruptcy I was facing due to a tax situation. He explained how the IRS works in these situations and what my options were in a kind, honest and thorough manner. By the end of our meetings I felt confident in the direction I would take. ***I can't express how much better I felt after understanding the situation better rather than conjuring up worst case scenarios,*** which I tend to do. I highly recommend John. His years of experience with the IRS and as a specialist in tax and bankruptcy law make him an invaluable resource and someone you can trust. Thanks again, John!

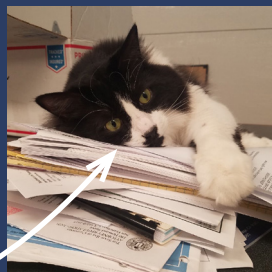
**Christi**  
Google Reviews

John and his amazing team are absolutely wonderful to work with! John relieved all of my stress by patiently explaining to me in detail how the law works, what actions to take, and gave me ***complete confidence in our ability to resolve my situation*** easily and swiftly.

He and Karen are also just the sweetest, kindest people, and eased all of my worries immediately upon our initial conversation! I highly recommend working with them, especially if you want an attorney who will treat you like a real person whom they care about, and greet you with a smile! Not to mention, expert legal advice and representation! If I could give more stars, I would!

**Willa**  
Google Reviews

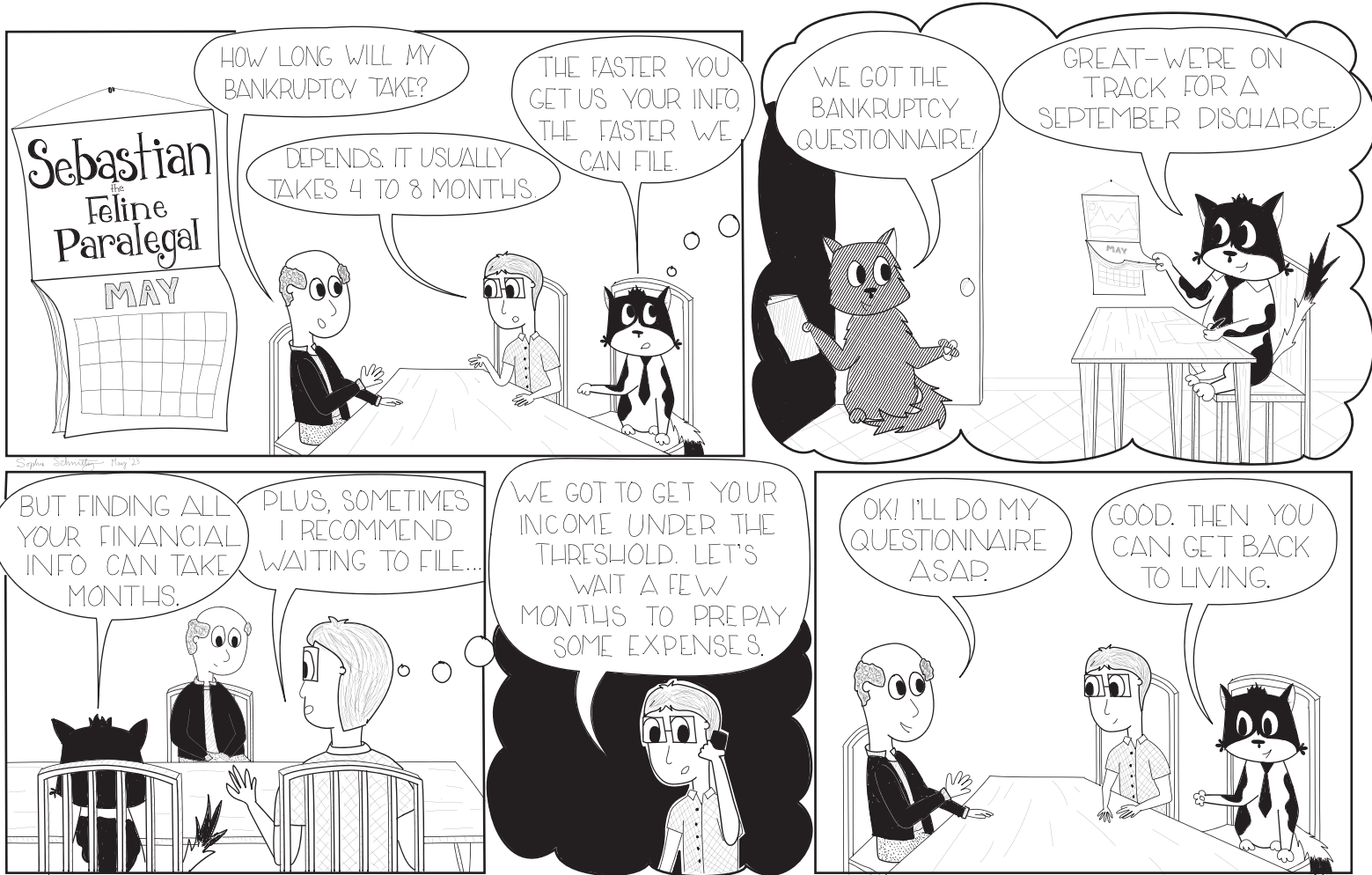
...but Sebastian the Feline Paralegal's fur was ruffled that he wasn't named in any of these reviews. Maybe next time, Sebastian!



## WORTH A THOUGHT...

What's so fascinating - and frustrating and great about life is that you're constantly starting over, all the time, and I love that.

-Billy Crystal



## Pad Thai

Karen was intimidated by Pad Thai until recently. "It won't taste like it does in Thai restaurants," she'd say. But I wore her down (sort of like I wear down IRS auditors), she experimented with recipes, and this is the tasty outcome. It's easier and faster than she thought.

### Ingredients:

8 oz flat rice noodles	3 TBS canola or vegetable oil
½ lbs chicken breast or thigh, cut into thin slices	½ lbs uncooked shrimp, shells removed
5-6 scallions, sliced thin	2 cloves garlic finely chopped
2 eggs	2 carrots, cut into julienne pieces
½ cup chopped peanuts (dry roasted or regular)	2 TBS tamarind paste (in Asian aisle of most grocery stores – critical to the sauce flavor)
5 TBS brown sugar	3 TBS fish sauce (also in Asian aisle)
1 TBS soy sauce	1 TBS lime juice
½ cup fresh cilantro, chopped	Lime wedges

### Instructions:

- Make sauce: combine tamarind paste, brown sugar, fish sauce, soy sauce & lime juice in bowl.
- Prepare noodles according to package directions. Do not overcook.
- Heat oil in a large frying pan over medium high heat. Add white part of scallions and stir for 1 minute. Add chicken and cook for 1-2 minutes, stirring frequently. Add shrimp, garlic, and carrots, and cook until both chicken and shrimp are mostly cooked, about 2-3 more minutes. Push chicken & shrimp to one side of pan and pour egg on other side of pan. Scramble and cook the egg, breaking into small pieces (add oil if pan too dry), then mix into the chicken & shrimp mixture. Turn heat to low.
- Add noodles, sprouts, remaining green parts of scallions, cilantro and sauce to the pan, mix until noodles have absorbed the sauce, about 1-2 minutes. Remove from heat, add peanuts and serve with lime wedges. Leftovers good for 2-3 days if refrigerated.

**Serves 3-4**



## WELCOME TO FAUCHER LAW

**John D. Faucher** worked for 10 years as an IRS trial attorney and has been in private practice since 2008. He and his team speak the legal language. They know the **tax and bankruptcy systems** and can help you get the best result. Have other legal issues? Call us. We'll find the lawyer who's right for you, your friends, or family.

**(818) 889-8080**  
**FaucherLaw.com**

*Reaching the Light at the End of the Debt Tunnel...*

## How Long Do the Steps of a Bankruptcy Take?



One of the first things bankruptcy clients ask me is: how long does a bankruptcy take? In this issue of *The Newsletter* I overview the six steps in a chapter 7 bankruptcy that make it take from 4-8 months for most of my clients' debts to be discharged (erased). Also inside are some recent bankruptcy **client reviews**. Finally, **Sebastian my Feline Paralegal takes credit** for the quick turn-around-time at Faucher Law on draft bankruptcy petitions, and Karen shares a **Pad Thai recipe** she's been experimenting with for months.