

The Bankruptcy Process: Discharge and Your Fresh Start

The Finish Line

You have attended the Meeting of Creditors and assuming the trustee closed your case, you are almost home. You have completed all post-filing requirements including the [debtor education course](#).

At this point your discharge is right around the corner and your fresh start awaits.

What is the Bankruptcy Discharge?

The “Discharge” is really the ultimate goal of your [chapter 7](#) or [chapter 13](#) bankruptcy. It is the final door you pass through and when you come out the other side, you encounter your fresh start. It is typically granted 60 – 90 days after the Meeting of Creditors.

The discharge will eliminate all debts included in your bankruptcy petition that are entitled to be eliminated. Certain debts, such as child support, student loans, criminal fines and taxes are subject to certain regulations and are not always eliminated by the bankruptcy discharge.

The discharge is a court order. It serves as an injunction on all future creditor collection activity. Creditors are strictly prohibited from attempting to collect on a discharged debt. If they ignore the discharge and continue collection activities, they open themselves up to serious fines and penalties.

It should be noted that the bankruptcy discharge does not extinguish valid liens. While the underlying debt is eliminated in the bankruptcy, the lien survives and the secured creditor would have a right to exercise that lien on property post-bankruptcy.

Moving On: Your Fresh Start

While your discharge is the ultimate goal of your bankruptcy, the fresh start is its purpose. [Your fresh start is not automatic](#). It is truly something you must work for, but it is worth it.

The bankruptcy discharge sets you on the path, but you have to walk it. It is time to rebuild your credit by building new habits and avoiding old pitfalls.

Your [bankruptcy lawyer](#) should work with you after your discharge and give you the tools to do the most with your fresh start.

Congratulations!

You made it through the bankruptcy process. You have eliminated all of your debt and achieved your fresh start. You are now on your way to financial freedom.

Image courtesy of [millionaireat19](#).

