

Published based on [What Does The Bankruptcy Process Entail?](#)

What Does The Bankruptcy Process Entail?

The United States Constitution authorizes Congress to make "uniform Laws on the subject of Bankruptcies." From this authority, Congress enacted the "Bankruptcy Code" in 1978. The Bankruptcy Code, which is codified as title 11 of the United States Code, has been augmented numerous times since its establishment. It is the uniform federal law that governs all bankruptcy circumstances.

The procedural elements of the bankruptcy process are dictated by the Federal Rules of Bankruptcy Procedure (often called the "Bankruptcy Rules") and local rules of each bankruptcy court. The Bankruptcy Rules incorporate a group of official forms for utilization in bankruptcy legal matters. The Bankruptcy Code and Bankruptcy Rules (and local rules) set forth the official legal procedures for dealing with the debt issues of people and businesses.

There is a bankruptcy court for each judicial district in the nation. Every single state has one or more districts. There are ninety bankruptcy districts across the US. The bankruptcy courts commonly have their own clerk's offices.

The court official with decision-making authority over federal bankruptcy cases is the US bankruptcy judge, a judicial officer of the US district court. The bankruptcy judge can decide any question connected with a bankruptcy court case, like eligibility to file or whether a debtor should receive a discharge of debts. Much of the bankruptcy process is administrative, however, and is conducted away from the courthouse. In cases under chapters 7, 12, or 13, and from time to time in chapter 11 legal matters, this administrative procedure is carried out by a trustee who is appointed to oversee the situation.

A debtor's engagement with the bankruptcy judge is commonly rather minimal. A common chapter 7 debtor will not show up in court and will not appear before the bankruptcy judge except if an objection is brought up in the court case. A chapter 13 debtor may only have to show up before the bankruptcy judge at a plan confirmation hearing. Typically, the only formal proceeding at which a debtor will have to show up is the meeting of creditors, which is commonly scheduled at the offices of the U.S. trustee. This gathering is informally called a "341 conference" because section 341 of the Bankruptcy Code necessitates that the debtor attend this conference so that creditors can interview the debtor about debts and assets.

Making the decision of whether or not to file for chapter 7 can be complicated. A [Michigan chapter 7 lawyer](#) can help you address your concerns. You may have many questions that require answers. Talk with a local [Southfield chapter 7 lawyer](#) about your options. Get chapter 7 help today.