

## EXEMPTIONS FROM YOUR CREDITORS UNDER BANKRUPTCY

Both the U.S. Bankruptcy Code, or if you prefer the Massachusetts General Laws, provide protection for those who must file bankruptcy but have some assets creditors would love to seize and sell in order to satisfy your debts to them.

For Massachusetts residents, best known and most powerful are the Massachusetts Homestead Exemptions found at Massachusetts General Law Chapter 188 Sections 1, 1A, 2 and 4. As of July 2009 the amount protected is \$500,000.00 for both couples and individuals for value of real estate used as your principal residence. Sorry no application of these exemptions apply to your second home, even if you don't use up all your exemption value to keep your principal residence.

If you have not already placed your home under homestead protection you should consider taking this step. Follow our link to the Lowell Registry of Deeds in Middlesex County to find a sample form or contact our offices for help with this important and inexpensive debtor tool.

There are many other exemptions available to allow you to keep property including Massachusetts General Law Chapter 209 Section 1 which protects real estate held as tenants by the entirety from the debts of the other spouse except for necessities.

Your Life Insurance which names a married woman as the beneficiary is also protected from your creditors under Massachusetts General Law Chapter 175 Section 126.

There are many other protections available which we would be happy to explore with you if you need to consider bankruptcy. Please contact me by phone or e-mail at the numbers and address provided on my home page.