

THE BROWN LAW FIRM

*Board Certified Bankruptcy Counsel · Serving Texas*

BANKRUPTCY IN TEXAS

# Life After Bankruptcy

*Your credit, your property, and what your financial future looks like once your case is behind you.*

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Bankruptcy is not the end of your financial life. It is the line you draw so a new one can start. Here is what to expect from your credit and your future after you file.

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JEROME A. BROWN · BOARD CERTIFIED IN CONSUMER & BUSINESS BANKRUPTCY LAW, TEXAS  
BOARD OF LEGAL SPECIALIZATION

*Offices in Austin and Victoria · Free initial consultation*

# What happens to your credit, and your life, after you file.

The fear of permanent damage keeps a lot of people from filing long after it would have helped them. The reality is more hopeful. Credit recovers, property is kept, and ordinary life continues. Here is the honest picture of what comes after.

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## IN THIS GUIDE

*Your credit report & score*

*Your life & property going forward*

## SECTION ONE

### Your Credit Report & Score

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#### How does filing for bankruptcy affect my credit?

There is an initial hit, and no honest lawyer will tell you otherwise. But if you are seriously considering bankruptcy, missed payments have likely already lowered your score. Bankruptcy draws a line under the old debt and clears the balances, which is often what lets your score start recovering. From there it tends to climb as time passes and you handle credit well, paying on time and keeping balances low. *The early impact fades faster than most people expect*, and a higher score earns you better rates on whatever you finance next.

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#### How long does a bankruptcy stay on my credit report?

A Chapter 7 stays on your credit report for up to ten years from the date you filed. A Chapter 13 comes off after seven years, because it involves repaying part of your debt. Both timelines run from the filing date, not the discharge date. And the impact on your score fades well before the record itself disappears.

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#### If I file, are my old bad debts erased from my credit report?

Not erased, relabeled. The accounts included in your bankruptcy stop showing as unpaid or past due and instead show as discharged with a zero balance. Bankruptcy does not wipe your credit history clean or repair it automatically. You rebuild it going forward by paying new debts on time.

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### **Can I get the bankruptcy removed from my credit report early?**

No. A valid bankruptcy cannot be forced off ahead of the federal timelines, and the bankruptcy court has no authority over the credit bureaus. What you can do is dispute genuine errors, including a bankruptcy still showing after its reporting period should have ended, with each of the three bureaus.

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### **When can I get another credit card after I file?**

Sooner than most people expect. You can usually begin rebuilding shortly after your discharge, often starting with a secured card. Paying it on time, every time, is what rebuilds your score. Many people are surprised how quickly new credit becomes available again.

## **SECTION TWO**

### **Your Life & Property Going Forward**

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#### **Will I be able to own anything after filing?**

Yes. You keep your exempt property, and with few exceptions, anything you acquire after the case is filed is yours to keep.

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#### **Will I ever be able to buy a house or a car again?**

Yes, and often sooner than you would think. Some lenders will finance a car right after your discharge. Expect a higher interest rate early on, but as your score recovers and you keep your credit in good standing, better rates open up over time. A mortgage takes longer and the waiting period depends on the loan type, but a home is a realistic goal within a few years. *The pattern holds across the board: the higher your score climbs, the better the financing terms you are offered.*

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#### **Is my bankruptcy public information?**

It is technically a public record, but in practice the only people who learn about it are your creditors and whoever you choose to tell. Unless you are a public figure, it is very unlikely anyone would ever go looking or know.

## General information, not legal advice.

This guide explains, in general terms, how bankruptcy tends to work for individuals in Texas. It is **not legal advice** and does not create an attorney-client relationship. Bankruptcy outcomes turn on the specific facts of your situation, your district, and current law, all of which change from one case to the next.

Before you act on anything here, talk with a bankruptcy attorney about your own circumstances. That is the only way to know how these rules apply to you.

### Wondering what your fresh start could look like?

*Schedule a free, no-obligation phone consultation with The Brown Law Firm.*

**Text us: (512) 306-0092**

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