

# Sued For Credit Card Debt By Collection Agency

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These people will keep calling you and if you don't respond, they have the ability to add a negative mark on your credit history thus lowering your credit score. They could report your delinquency to a credit bureau and shut down your credit card account. Debt recovery is when a loan-such as a credit card balance-continues to go unpaid, and a creditor hires a third party, known as a collection service, to focus on collecting the money. Let's say you are served a debt collection lawsuit and summoned to court. At trial, Marx was unsuccessful in proving her case against GRC, and was ordered to pay GRC's court costs and attorney's fees. For example, if you don't pay your rent for an apartment, the property owner can repossess or evict you from said apartment. It's not just cars that can be repossessed, but other items as well. Yet another thing that your car dealer or lender can do is to repossess your car. For your car purchase, the car dealer may tell you that he or she is going to send your unpaid bill to a debt collection agency. The debtor has 30 days from the bill due date (not the billing date) to make the payment before it is reported to the credit bureaus.

#### 4 Ways Debt Collectors Calling Can make You Invincible

Michelle Corey, BBB president and CEO, said Regent ignored the law repeatedly and used threats and harassment to collect debts. Many lawyers collect debts on behalf of clients, thus potentially meeting the definition of a "debt collector" subject to the FDCPA. Yes, what can happen is that the company or the debt collector can file a case against you and if you lose, the court will order you to pay the outstanding debts. And they have both learned a harsh lesson: Through court judgments, companies like Midwest can pursue debts for decades, following debtors to each promising new job, each new savings account. PRA eventually reached an agreement with the CFPB, whereby the Consumer Financial Protection Bureau ordered Portfolio Recovery Associates to pay consumers \$19 million in refunds and \$8 million in penalties and ordered the company to stop collecting on over \$3 million worth of debts. In December, a judge in Denver ruled that Regent Asset Management Solutions and its president, Michael A. Scata, were collecting debts from consumers illegally, in violation of the Colorado Fair Debt Collection Practices Act and the Colorado Consumer Protection Act.

#### If Fair Debt Collection Practices Act Is So Horrible, Why Don't Statistics Show It?

"This may include sending letters, calling you and listing the debt on your credit report if it's in the credit reporting time limit," it states. There is a general rule that should be applied in all small business debt collection -- act quickly and stay determined. A collection agency may only contact other people to find out where you live, what your phone number is, and where you work. So the short version is, successfully hiding/running away from your debts is next to impossible. Passive debt buyer - A passive debt buyer purchases delinquent debts for investment purposes only. Debt collector was calling me everyday. A debt collector may not harass or abuse a person in connection with the collection of a debt. Per the ACLU, these proceedings - called "judgment debtor examinations" - see those who owe a debt summoned "to answer questions about their wages, bank account balances, property and assets." "Debt collectors use these responses to take other steps to collect on the judgment," reports the ACLU.

Don't worry. For most low-income people, a threat to seize personal property is an empty threat. For many people, the automatic reaction would be to run to an attorney and let them do all the work of defending your case. Let the caller know you will be calling that agency directly to confirm his identity before you talk further with him. It is important to understand that a court can still enter a judgment against you, even if you are considered "judgment proof." If that happens, you will not have to pay the judgment so long as your income remains exempt from collection. You can ask for documents such as a credit or loan agreement or an account statement that itemises all credits and payments to the account. You can also put receipts for any payments in this file. What can you do to help me? How can I get help? Knowing how to handle debt collection can help make the processes easier on you.

If an heir or descendant of the debtor is the target of collection efforts, there is room to ask whether the survivor's consumer rights are being violated. Misrepresentation: Collectors can't try to pretend being someone else. Thus, they get some scratch for the debt while simultaneously passing the buck to someone else. While the Federal Trade Commission does not file suit on behalf of most complaining consumers, it does keep track of this type of collection abuse, it may pursue cases against the worst violators of consumer rights. If you are the target of this kind of unlawful collection, you should write a

letter to this type of agency and request that they stop contacting you. Sometimes they send out their own employees for debt collection and sometimes they hire a collection agency that go around collecting the debts from the debtors. If debt collectors contact a third party, not authorized to pay the decedent's debts, under the FDCPA the debt collector can only do so to obtain the name, address, and telephone number of the decedent's spouse, executor, administrator, or any other person who is authorized to pay the decedent's debts.

Did you know that the employees of some of these businesses are paid on commission and advantage personally when you sign up for specific services, pay out a price or make a contribution to the agency? Debt collectors can only contact you within specific hours, and are not allowed to harass you repeatedly. Your rights when debt collectors call you include: the right to demand a copy of your original credit agreement before a debt is enforceable, the right not to be harassed or misled by creditors, the right not to repay debts which are too old to be collected, the right to a period of breathing space, where debt collector contact will stop, and the right to complain if you were lent money irresponsibly, or feel physically or psychologically harassed by a creditor. They can call you at work, but if you ask them not to, they must stop. It is a known fact that if you owe you must pay but while attempting to collect it the collector should not over step the laws.

While this may seem distressing, it is perfectly okay for debt agencies to stop by your house, office or workplace and ask to speak with you - and the same goes for making unsolicited phone calls. Today some of your bills may still come via mail, as opposed to online, while some bills are on auto pay, and others are digital payment programs. While many debts collect interest as long as the balance is unpaid, the debt collector cannot add its own costs on UNLESS it is part of your agreement with the original contract, or allowed by some other law (such as a state law allowing collection fees on unpaid medical bills). A debt collector cannot imply that you have committed a crime in order to abuse you and coerce you to make a payment. Once you've received a written agreement from your debt collector and reviewed it for accuracy, then - and only then - should you take the final step of submitting your payment.

Mistakes with billing and debt collector payments can still occur. But while I am not the complete skeptic of all things related to debt collection that I once was in my early exposure to the industry, I am still not ready to refer to them as helpful. Nowadays it is more important to establish a paper trail you will have ready access to that can prove what you paid to a debt collector and when. The fees are high, but it can also be more complicated to get the information you may later need to prove your payment was made. Banks have also taken people's stimulus checks to cover previous late fees or overdrawn accounts, the New York Times reported. For Americans concerned about losing their stimulus checks, the NCLS offers some guidance. When it comes to paying debt collectors like the one you are dealing with, who is really large, and who will probably forever be under the microscope of federal regulators like the CFPB, and state AG's too, I am sometimes less cautionary with how best to make payments. Instead of making online purchases using the debit card that is connected to the family bank account where your deposits are made, you can move money over to this other account when you are making online purchases (stuff can go wrong in everyday financial transactions too, not to mention all of the data hacking occurring with more frequency).

Again, to reiterate, in the case of a legitimate debt, the best way to stop letters arriving at your home is to simply pay it. While most of them usually have information in regards to your debt, a lot of them can also contain threats of court action. While this can be the case sometimes but it's extremely rare. Now that you've finished drafting your legally sufficient Answer, it's time to sign, file, and serve it. Debt collectors are actually a lot more ruthless right now. In fact, ignoring a letter from a debt collector will most likely result in more intrusive attempts to get in touch with you. On the other hand, if you keep ignoring the letter, the debt collector isn't going to give up and you'll definitely be receiving more of them (not to mention, phone calls and house visits in the future from them as well). On the other hand, if you keep ignoring it, your debt will definitely keep growing as your debtor will keep adding interest and additional charges onto it if you don't take care of it. You may be able to take care of your debt if you just read the letter that you've received.

This law applies regardless of whether a debt collector is merely harassing you by phone or has already filed a collection lawsuit against you. The FDCPA was passed and enacted in 1977 in order to curb abuses by the third-party debt collection industry. The court will order a judgment in the creditor's favor in the amount owed to it by the debtor, and the creditor then has a lien against the debtor's property in the amount of the judgment. A creditor with a lien on the debtor's property may in certain circumstances foreclose on the lien and sell the property to satisfy the debt. These requirements may be waived if the property is in imminent danger of destruction, or under other exceptional circumstances. § 360), where a payment made towards principal or interest may waive the period that has already run in favor of the debtor. When a business's customer fails to pay his or her debts, the business (as a "creditor" to which the debt is owed) has several available remedies to help collect the money from the customer (as "debtor"). It is important to note, if this is a valid debt, still owe money.

But, if you're aware of your rights, you know that the Fair Debt Collection Practices Act says that debt collectors who break the law must pay you up to \$1,000, along with actual damages and your attorney fees. Our experienced attorneys here at Krohn and Moss Consumer Law Center have also provided many helpful resources regarding the TCPA and the FDCPA and how telephone debt collectors should act. For instance, it is mandatory to know how the consumer law attorneys go about their work. The law gave the agency expanded oversight and enforcement authority over previously unregulated industries including

debt collectors, fintech firms and credit reporting agencies. However, no matter what your stand is with the debt collection agency, it is important for you to find experienced consumer law attorneys. Collectors may be collection agencies, attorneys and companies that buy delinquent debt from creditors to collect. The FDCPA mostly prohibits third party collection agencies from harassing consumers, including hired these collectors and buyers, but excluding original creditors. Therefore, it makes all effort to give the consumers an equal footing with the agencies appointed for collecting debt. It is important to know that Congress enacted the Fair Debt Collection Practices Act, better known as the FDCPA, with the objective of protecting consumers from harassment of these collectors.

The federal government does try and minimize debt collector abuse through the way that they award contracts to debt collectors. The Fair Debt Collection Practices Act (commonly known as the FDCPA) is Title VIII of the Consumer Credit Protection Act. A debt collector is defined under the FDCPA as any person, company, or entity that regularly collects debts owed to others. These collection agencies buy debts from an original creditor that has given up on the delinquent account. Many times, consumers fall victim to fraudulent collection calls and make payments on debts they do not owe. Contact the correct collection agency and arrange to make payment. And the thing that I think people don't realize is that when a collection agency is making an attempt to call, they're not trying to do so maliciously, they're just trying to reach a person to make them aware, should you pay the debt or should it be listed on the bureau or in certain cases should it go legal. Blair Demarco-Wettlaufer: Yes, that application will update the bureau and determine whether you get a credit card. But the credit bureau is so much more important now than it was 20 years ago.

### The Fair Debt Collection Practices Act Game

An agency's collection efforts often don't have to break the law. This means you won't have to pay anything unless you win. They certainly won't inform you of your rights. "I had the pleasure of dealing with Consumer Rights Law Firm PLLC on 2 different occasions the staff were very courteous and helpful, and they were familiar with the Collection Agency's in question and the harassment calls stop, I was even compensated. How many times can a debt collector call before it's harassment? Can a debt collector find out when you receive unemployment? The debt collector can also attempt to find out where you work and garnish your wages. Credit is necessary at present, which is marketing and advertising work on building it prior to you actually need the application for something valuable. That's why we're here-to help you learn how to deal with debt collectors when you can't pay, and to give you hope when they start calling you, your friends, your work and even your mom. Debt collectors know this.

Collectors can only make one home visit in 30 days and are not allowed to visit the debtor's office without consent, with the exception of repossessions. When a debtor requests a cease of communication, the collection agency can only mail one notice per month. Texas: Any attempt to collect a fee for the collection agency is prohibited unless the fee was authorized in the original agreement. Collection agencies can speak to the party responsible for the debt they're attempting to collect. This brings us to the title "How does a debt settlement work law firm?" As I explained earlier there are great benefits to the composition of debt, how to save money and time, and there are also some disadvantages, such as collection calls and the possibility of a lawsuit. Unfortunately, that sometimes means they go to great lengths: threatening, shaming, tricking, or harassing people into making a payment toward their debts. Other intentions of harassing the debtor are also banned. The law prohibits debt collectors from harassing, oppressing, or otherwise abusing a debtor or anyone else they contact when attempting to collect a debt. This includes private debt collection agencies, lawyers who collect debts as part of their business, and companies that buy past-due debts from other companies and then try to collect on them.