

## **60 Second Guide to Being Sued & Wage Garnishment**

If you just received the lawsuit it is important that you pay attention “answer” is a written document that you have to actually type, or you can hand write it, and you have to take it or mail it to the clerk of courts where the lawsuit was filed. The answer will admit or deny that you owe the money's being sought in the lawsuit. Most of the time you actually will owe the money, or part of it anyway, and so even if you do contest the lawsuit you will end up still having a judgment against you. If you contest the lawsuit for any legal valid reason, you will be able to get more time to prepare to deal with the debt when it becomes a judgment.

Judgments are serious. Judgments allow creditors to take all kinds of collection actions that they are not allowed to do without the judgment. With a judgment creditor is able to garnish your wages, levy on your bank account, file the judgment against your real estate, even foreclose on your house. I've actually seen credit card judgments turn into foreclosures against people's homes.

It is always good advice to seek legal counsel if you have received a lawsuit. Sometimes by taking proper steps before the lawsuit process gets too far, you are able to save your property and avoid headaches. If too much time passes, judgments can be rendered against you that could have been avoided if only you responded to them. Ignore lawsuits is a bad idea.

If your wages are being garnished, this means you have already been sued and there is a judgment against you. Sometimes people don't realize that they have already been sued. The reason for this is that sometimes is not clear to people that a lawsuit begins with a letter in the mail. The letter comes from the clerk of courts. The letter advises you that you are being sued and has no hearing date for you to attend. It simply tells you that you have 28 days to file an answer.

These lawsuits are very difficult to read and it is not very clear exactly what you're supposed to do. Therefore, in many instances, people ignore them. When this happens, the creditor gets judgment against you by default. Now the judgment can be used by the creditor to collect against you.

The way that most creditors collected is by garnishing wages. There are other ways to collect. Sometimes they go after your bank account. This is called a bank account levy. Bank account levies can wipe out your entire bank account. There is no advance notice. Wage garnishment on the other hand does involve a notice period. You are supposed to get a 15 day warning before your wages garnished. The warning document you receive is called Notice of Court Action to Collect Debt, payment to avoid garnishment. You are permitted to voluntarily pay the

amount that would be taken from your wages and avoid the letter going to your employer. If you do this the creditor is not supposed to garnish wages. Most of the time the creditors follow these rules but sometimes they do not.