Rule # 6: Get Help from a Counselor or Lawyer
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Help from a Counselor. The federal Department of Housing and Urban Development (HUD) funds housing counselors to help you with home mortgage problems. To find a HUD-approved counselor, call 800-569-4287 (TTY 800-877-8339) or visit www.hud.gov [1]. Counselors specializing in reverse mortgages can be located using that phone number or at https://entp.hud.gov/idapp/html/hecm_agency_look.cfm [2].

For help with credit cards, you can contact a consumer credit counselor. There are pros and cons with consumer credit counselors. Even some nonprofit consumer credit counselors will just take advantage of you. So shop carefully. More detail is found at Chapter 11 [3].

If you have cannot resolve federal income tax debt problems through normal channels, you can get assistance with from the IRS Taxpayer Advocate Service, an independent organization within the IRS. Send in IRS Form 911 (available at www.irs.gov [4]) or call 1-877-777-4778.

Help from a Lawyer. Low-income families with limited assets may be eligible for free legal services. Find legal aid programs at www.lawhelp.org/find-help [5] or http://lsc.gov/find-legal-aid [6]. Other consumers can contact local bar associations for a referral to an attorney who may help at no charge.

The National Association of Consumer Advocates (NACA) can help you find an attorney to take your case to sue a debt collector, defend a collection lawsuit, deal with your credit report, or handle other debt issues. Members by state and specialty are listed at www.consumeradvocates.org/find-an-attorney [7].

For bankruptcy help, consult an attorney who is a consumer bankruptcy expert. Recommendations from family, friends, the neighborhood legal services office, or a volunteer lawyer project are useful. To find a consumer bankruptcy attorney in your area, you can use the “Find an Attorney” search at the National Association of Consumer Bankruptcy Attorneys, at www.nacba.org [8].

Help with disputes with the IRS is available from low-income taxpayer clinics, based at law schools and legal services offices. Clinics are listed in IRS Publication 4134: Low Income Taxpayer Clinic List, and at https://www.irs.gov/advocate/low-income-taxpayer-clinics/low-income-taxpayer-clinic-map [9].

For help with criminal justice debt, contact the lawyer who represented you in the criminal case in which the debt was imposed. That lawyer may represent you, counsel you about your options, or refer you to another lawyer. If you have a low income, you may be able to obtain free legal representation from a public defender, particularly if you are facing incarceration for non-payment. Legal services offices, pro bono attorneys affiliated with local bar associations, and other civil attorneys may also help.

Selecting and Working with an Attorney. Lawyers should provide a free initial consultation. Meet the attorney and make sure you are comfortable with the attorney and that the attorney answers your questions. You should have a clear idea of what the lawyer will do for you, what you will be charged, and how often the lawyer will communicate with you.

Price is not the only consideration when hiring a lawyer—although it is a factor. The cheapest lawyer will not necessarily be the best. Find someone who can help you with your specific problem. The attorney should also explain the potential consequences of doing nothing about your delinquent debt.

The attorney typically will ask you to sign a retainer agreement, a contract under which you hire the attorney, governing what the attorney proposes to do, and the fees for the proposed work. Read it carefully and make sure you understand what you are signing.

Determine whether you are paying an hourly rate or a flat fee. If a flat fee, get in writing what the fee covers. Some lawyers agree to a contingency fee where the lawyer keeps a percentage of your recovery if you win your case. If you lose, you owe the attorney nothing.

Even after you sign a retainer, you can still cancel if you are dissatisfied with the service you are getting. You will only pay for services you have already received. If you do not receive a refund that you are entitled to receive from the attorney, complain to the local disciplinary agency for attorneys.
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