
Chp 7 and single member LLC

Posted by Shellrott - 2011/11/08 22:51

If someone files for an Chp 7 Bk and receives a discharge, will that discharge also protect that person's single member LLC or the business assets if the owner was a sole shareholder of an S-Corp?

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Re:Chp 7 and single member LLC

Posted by LK311 - 2011/12/07 07:28

A personal bankruptcy does not extend to protect the individual companies owned by the owner. You would have to file a separate bankruptcy for each company. In addition, if any of the companies had accounts receivables, then the owner would be required to assist teh bankruptcy trustee and "prosecute" or try to recover all receivables or claims of the company.

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