

# 7 things you need to know about the statutes of limitation for debt

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If you have old unpaid debts, it can be helpful to know the statute of limitation that applies to those debts. If the statute of limitation (SOL) has expired, a debt is said to be "time-barred," and a creditor or debt collector is not supposed to sue you to collect.

Here are the seven most common questions we've received from readers about this topic.

## **1. How long is the statute of limitation for my debt?**

The time period typically either starts when you fall behind on a debt, or from the date of your last payment, and the length of time depends on state law for that type of debt. [This chart is a guide to state statutes of limitation](#). Unfortunately, it is not always clear-cut. So it's

a good idea to check with your state attorney general's office, a consumer law attorney or legal aid, especially if you are being threatened with legal action.

## **2. Can a debt collector try to collect after the SOL has expired?**

In many cases, yes. However if you tell the debt collector not to contact you again, they must stop. It's a good idea to put your request in writing. Once they've received it, they can contact you only to confirm that they have received your request or to notify you of legal action they are taking to collect. In some states, however, trying to collect a time-barred debt is illegal and a creditor who attempts to do so is breaking the law.

## **3. If the SOL has expired can I still be sued?**

It is not uncommon at all for consumers to be sued for time-barred debts. If you are sued for an old debt and the statute of limitation has expired, you can raise the expired statute of limitation as a defense against the lawsuit (here are [some other debt collection defenses you can use, too](#)). However, many consumers do not appear in court and therefore the creditor or collector gets a judgment against them. That is why you should not ignore a legal notice about a debt, even if you think the debt is too old. A consumer law attorney or bankruptcy attorney can help you figure out how to respond.

## **4. Should I pay an old debt?**

That's something only you can decide. However, keep in mind that if you pay anything — even a small amount — on an old debt, you may restart the statute of limitation. That's why it can be risky to pay an old debt if you can't afford to pay it in full. You could open yourself up to collection efforts, or even a lawsuit, for the entire amount the collector says you owe.

## **5. Can a debt still appear on my credit reports after the SOL has expired?**

In many cases, the answer is yes. The length of time that negative information may be reported is governed by the federal [Fair Credit Reporting Act](#). Most negative information can be reported for seven years. The statutes of limitation for most consumer debts, on the other hand, is four to six years. So you could have a situation, for example, where the statute of limitation expired on a debt in four years but the related collection account still appears on your credit reports for another three years after that. Collection accounts can do serious damage to your credit scores. You can [get a free credit report summary on Credit.com](#) to see if an old debt is affecting you.

## **6. I took out a debt in one state but then moved. Which state's SOL applies?**

That can be a difficult question to answer. Consumers can generally be sued in the state where they took out the loan *or* the state where they currently live. Sometimes the statute of limitation will be based on the laws of the state described in the contract (in the case of credit cards, that will be spelled out in the credit card agreement).

When it's not clear which state's SOL applies, it is often up to the court to decide. In a number of court cases, the statute of limitation that was shortest was applied. But that's not true in all cases. That's why it is helpful, if you are being sued for a debt, to consult with a consumer law attorney who can help you understand whether the statute of limitation has likely expired.

## **7. What is the SOL for court judgments?**

If a creditor or collector has obtained a court judgment there is often a separate statute of limitation that applies to judgments. (Tip: If you have unresolved debts, be sure to at least get your [free annual credit reports](#) to see if any judgments are listed.) In many states, that time period is 10 years or longer, and judgments may be renewed. [Learn more about how about judgments work here.](#)

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