

**Attorney Timothy P. Crawford, CPA, CELA\*, CAP\*\***  
wanted to share this information with you.

## **AFTER DEATH, WHO PAYS THE CREDIT CARD BILLS?**

**GREATER MILWAUKEE AREA OFFICES IN BROOKFIELD, GLENDALE, MILWAUKEE OAK CREEK & RACINE**

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After the death of a loved one, no one wants to be thinking of such everyday realities as paying the deceased person's credit cards, but it is something you may have to deal with. Typically, after someone dies, the estate pays any outstanding bills. If there is a shortage of funds, the creditors sometimes are left holding the bag, but it could be you in certain instances.

The first case in which you may be responsible is if you are a joint cardholder with the deceased. This frequently happens with spouses or with young adults who may need an older person to co-sign in order to get their first credit card. If you are an authorized user only, you're not liable for the debt, but if you co-signed as a joint cardholder, you are.

The second case in which you may be liable is in a divorce. Divorce is sometimes such a complicated affair that this can be frequently overlooked. The separation agreement may specify that the ex-spouse is responsible for the credit card balance. However, if they don't do it, or if the ex-spouse dies before the debt is discharged, you could be responsible. Additionally, community property states such as Wisconsin have further complications. Community property can be used in debt settlement. An exception to this would be if the spouse held property apart from the community property. Separate property could not be touched for the debt settlement. In community property states, laws vary widely, so it is best to consult an attorney for advice.

One piece of advice can't be given too strongly -- don't use a credit card after someone's death. This advice is especially the case if you are in doubt about the estate's ability to discharge the debt. You could be committing fraud if you knowingly encumbered debt which you knew would not be paid.

Finally, if you are a beneficiary of an estate, all debts will have to be paid before a final distribution of the estate can be made. This can be a lengthy process, so don't expect to be able to resolve the situation quickly. Furthermore, credit card debt is considered unsecured debt, and will be paid after secured obligations such as mortgages are met. You may not be liable at all for the credit card debt. Always consult an attorney before paying any debts connected with an estate.

**“Those Who Plan Ahead Win.  
Those Who Don't Plan Ahead Lose.”**

This article is for informational purpose only and is not intended as legal advice. It is recommended that you call Timothy P. Crawford for a free conference to discuss your situation in more detail. Attorney Crawford can be reached at 1-262-634-6659. Please refer to this article when you call.

\*Attorney Timothy P. Crawford is a Nationally Board Certified Elder Law Attorney (**CELA**). He has been Board Certified by the National Elder Law Foundation which has been approved as the Sole Certifying Organization for Elder Law Attorneys by the American Bar Association.

\*\*Timothy P. Crawford was invited to join the Council of Advanced Practitioners (**CAP**) of the National Academy of Elder Law Attorneys (**NAELA**) in August of 2005. **CAP** is a small group of premier elder law attorneys, all of whom have been members of NAELA for at least 10 years, are certified as elder law attorneys by the National Elder Law Foundation, and are AV rated by Martindale Hubbell, a service that provides an independent rating of the quality of attorneys, as one of the top attorneys in the nation.

Attorney Timothy P. Crawford has been selected as a **Fellow** of NAELA. **Fellow** is the highest honor bestowed by the Academy. Selection as a **Fellow** signifies that his peers recognize the lawyer as a model for others and as an exceptional lawyer and leader.

Attorney Timothy P. Crawford has a superb rating of 10 out of 10 with A V V O.

A V V O has awarded to Attorney Timothy P. Crawford the A V V O Client's Choice Award.

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**"Helping Families in Wisconsin for Over 40 Years  
to Protect Their Assets from Nursing Home Care Costs"**

"A majority of the text has come from an article prepared by Attorney Andrew Hook, friend of Attorney Timothy P. Crawford, and is used here with his permission."