

# Know Your Consumer Rights: Can Debt Collectors Take Social Security Or VA Benefits?

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KINGWOOD, TEXAS, USA, April 6, 2017 /EINPresswire.com/ -- Know Your Consumer Rights: [Can Debt Collectors Take Social Security Or VA Benefits?](#)

It happens to everybody: you hit a rough patch financially, there's not much money coming in, and it seems like there's a lot more being spent on credit than you can pay for.

If you find yourself in this unfortunate situation, it is important that you know your rights going in. In this article, we are going to talk about two forms of benefits, VA Benefits and Social Security checks, and how they can be affected by debtor claims in the event that a creditor lays claim to your funds.



Choose File Name: Social Security And VA Benifits.

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*Patrick Mansfield*

## What Steps Must a Creditor Take to Access Your Money?

Creditors can be relentless in their pursuits of regaining money lent to borrowers plus interest. Many times, they will try to call you at work to embarrass you or otherwise call you at all hours of the night to reclaim their money.

Thankfully, there is a legal process that they must go through to lay claim to any of your money:

First, they must go to a court and prove that they have rights to any monies owed them.

If the court approves their plea, the creditor must send the garnishment approval to your bank. They are also required by law to not try and contact you unduly to reclaim their funds, and the court may reinforce that point.

At the time of receipt of a garnishment court order, your bank may be required to garnish (turn over) some of your funds to the requesting creditor or to otherwise freeze the money in your account.

## Can Creditors Garnish My VA Benefits and Social Security Payments?

What about VA Benefits and Social Security? These two forms of governmental assistance may be, in

many cases, all that an individual has to live on. Thankfully, the US Treasury has installed laws that require banks to protect a portion of these assets for your use at any time when they are direct deposited into your account.

The bank is required to let you keep two months of past VA Benefits and/or Social Security as a protection for you to live on. For example, let's assume that you bring in \$4,000 per month from VA Benefits and Social Security Combined. If you currently have \$18,000 sitting in your checking account, and \$10,000 of that came from either the VA or Social Security, then the creditor may only access \$10,000 from your account.

This is because you are allowed to keep two months of Social Security and VA Benefits ( $2 \times \$4,000 = \$8,000$ ), and the creditor is allowed to garnish the rest of the money in your account ( $\$18,000 - \$8,000 \text{ protected} = \$10,000$ ).

#### The Better Alternative: Ask Your Creditors to Restructure

While it's true that creditors are often cruel and forceful, they are also usually willing to discuss restructuring your debt. While they may not get back everything that is owed to them, they will get more back than if they had to garnish your wages.

As a result, it is usually in your best interest to try to renegotiate terms with your lenders before they attempt to acquire a garnishment order in claims court. In this manner, you may find that you obtain a better debt repayment rate and plan, and you will also be able to keep complete control over your checking account.

[U.S. Gov Connect Consumer Finance.](#)

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