

What Consumers Need to Know: Time-Barred Debts

I have an outstanding debt; can a debt collector sue me to collect my debt?

A debt collector can sue you to collect a debt unless the debt qualifies as a time-barred debt. Even if a debt is considered time-barred, debt collectors are still allowed to contact you under the Fair Debt Collection Practices Act as long as they are not engaging in harassment, oppression, or abusing individuals in collecting the debt. 15 U.S.C. § 1692(d). A debt collector is someone who regularly collects debts from people, but original creditors who collect their own debts are not considered a debt collector. This means, the original creditor who collects their own debts may still sue you to collect your debts, even if the statute of limitations has passed.

What is a Time-Barred Debt?

A time-barred debt is a debt that has exceeded a certain number of years allowed by law in which debt collectors may sue you to collect the debt. According to RCW 4.16.040, a debt collector generally has **six years** to collect their debt in the State of Washington. However, debts arising from a verbal contract or debts secured by your home must be collected within **three years**. RCW 4.16.080 and RCW 64.04.007(2). There may be other exceptions; you may wish to consult an attorney for legal advice on a particular debt.

How do I know whether my debt is Time-Barred?

You can ask the debt collector whether your debt is time-barred. The debt collector must answer truthfully regarding the details of your debt. 15 U.S.C. § 1692(e). You should ask for the amount of the debt, the date in which the debt started, and to whom the debt is owed. You should request this information in writing and ask them to send you a hard copy of this information.

When does the Statute of Limitation Start?

The statute of limitations in Washington State starts from the date of the last payment. RCW 4.16.040.

If my debt collector is from a different state, which state law dictates?

According to 15 U.S.C. § 1692(i), a debt collector may bring a law suit in the state in which the debtor resides, or in the state in which the contract for the debt was agreed or signed upon. However, some contracts may have clauses specifying or limiting which state has jurisdiction in case of disputes.

***Disclaimer:** This publication is not legal advice. It is intended as legal information only. For legal advice specific to your needs, contact the Law Offices of Alesha Struthers, PS at 800-972-0411.*

Posted September, 2016.