

How To Deal With Being Unable to Pay Your Bills

By Kevin White

What do you do when God allows there to be more bills than income? You love the Lord, seek to live by faith, but due to circumstances beyond your control you lose your job, have a medical crisis, or for a number of many other reasons find yourself unable to pay your bills. Now the phone is ringing off the hook with creditors demanding payment. You stop answering your calls. You begin to hate the phone and the mail. You feel like you're being hunted down, stalked, threatened, and harassed. Worry, doubt and fear are un-welcomed guests that simply will not leave.

If you can relate please let me share some good news and some practical advice. The good news is you are not alone. I know it may seem like it is you all by yourself up against a firing squad of angry creditors, but the truth is you are not alone! God IS with you. He has promised to put no temptation before us that He Himself has not faced. There are also many good and godly people who love Jesus that are experiencing financial hardship as well. Some are actually experiencing more difficulty than you.

The good news is that God does not condemn you for being unable to pay your bills. Even if it is a result of sin in your life, if you are alive in Christ then there is absolutely NO condemnation. Just because God does not always remove the consequences of our sin does not mean we have been condemned. Anytime we sin we are to repent by confessing it and turning from it. When we confess our sins God is faithful and just to forgive us and cleanse us from all unrighteousness. Being unable to pay your bills is not necessarily a result of sin neither is it a sin to be unable to pay your bills. If there is sin, repent. Regardless, don't let the enemy condemn you.

The good news is that when we are alive in Christ we are identified by Him not by our circumstances. In Christ we are secure, significant, and accepted. Financial hardship and bill collections have a way of making us feel insecure, insignificant, and rejected therefore it is important to recognize our true identity in Christ.

The good news is that God is always at work. Financial hardship does not mean God hates us, rejects us, or abandons us. Nothing can separate us from Christ' love! We must seek to join God in His work in the midst of our needs. His plans for us are to give us a future and a hope not to destroy us. God is for us not against us. His mercies are new every day!

It is important that we recognize that the ultimate attack of the enemy is not on our finances but on our relationship with God. When the enemy kept telling Job that God was slaying Him, Job responded, "Though God slay me, yet will I trust in Him." Job valued His relationship with God more than his personal prosperity. Don't allow financial hardship to be a wedge between you and God. Don't let it rob you of your joy, peace, thanksgiving and worship. What good is having all your bills paid if you don't have those?

The good news is that it is not a crime to be unable to pay your bills unless we have been involved in extortion, fraud, or other dishonest means of acquiring debt. Most bill collectors are simply doing their job. Some will try to intimidate and scare you into paying the bill

immediately. If you absolutely have the means of paying the bill then do so, but it is not illegal to say, "I do not have the money right now. I will pay you as soon as I can."

Creditors for loans secured by property can seek the property back. Creditors seeking payment for automobile loan payments can repossess the automobile. Creditors for mortgages can foreclose the mortgage. Landlords seeking rent can evict you out of their property. Utility companies can usually disconnect services.

Creditors for debt that is not secured by property like credit card companies, doctors, and hospitals can only demand payment. Usually they are not able to take your house or throw you in jail. They could sue you if you are guilty of having substantial assets yet are unwilling to pay your bills for instance you are living in a \$500,000 home that is completely paid for and you owe \$200,000 in unsecured debt and are unwilling to sell your home to pay your debt. Rarely is that the case. All creditors can list the unpaid debt on your credit report. Even so, rarely does anyone get thrown into jail or prison because they CAN NOT pay their bills. There is a difference between being unable to pay your bills and being unwilling. It is not a crime to be unable to pay your bills!

Practical steps you can take:

Surrender your credit report. Like it or not if you are unable to pay your bills it will be reported on your credit report. Keep in mind that it is a credit report used by man and the world not necessarily by God. God can still move and work in your life regardless of your credit rating. If your credit report gets marked up with bad debt trust God and lay your credit report down.

Stop using credit. When most people begin to face financial hardship they start using their credit cards to buy gas or groceries and to pay their bills. Often this only prolongs the problem. Our only response before God in the midst of financial hardship is faith. God wants us to depend upon Him not upon our credit cards. Swiping a credit card without any knowledge of how we're going to pay it back is a form of lying and will not be honored by God. We do not control God by swiping our credit cards and then telling Him that He must pay the bill.

Use check cards not credit cards. Why should God help us if we are going to continuing to add to the problem? If we are having difficulty paying credit card bills then credit cards are a problem! Repent! Cut them up! Once, God led me to send ours back to the creditors with a letter confessing our sin for using them while not knowing how we would make payment. While I took 100% responsibility, I also grieved that creditors make it so easy to lie about being able to pay them back.

Be honest about your need. Don't deny it, lie about it, or fake it. Sometimes we are guilty of living beyond our means even before the financial crisis occurs then we are tempted to not disclose our need to God, our family, our church family or social services. Lying to ourselves and to others will only prolong the problem. It is OK to be in need. Often God uses our needs to bring us closer together to those around us.

Cry out to God. He is our Provider. Trust Him alone to provide. Let Him provide however He provides. Be careful not to seek the provision over the Provider. We have been given life for a relationship with Him not to work and pay bills. A personal intimate love relationship with Him is all that will matter in eternity not how much we made, owed, or obtained.

Expose the need to your family. God requires family to care for family. Though we can't force God's will upon our family we also cannot lie to our family.

Expose the need to your church family. It is difficult enough to go through any crisis, but it is a tragedy to go through a crisis without the prayers, love, and support of the body of Christ. If you are not in fellowship with Jesus Christ and a local church then you need to start there. God does not have one plan for those alive in Christ and another plan for those who are not alive in Christ. God's only plan is for us is that we be alive in Christ.

Accept public assistance. If you need food and you qualify for food stamps don't be too proud to accept public assistance. If you don't have health insurance and you qualify for Medicaid then accept it and thank God. God is The Provider. Let Him provide however He provides. If you have been judgmental about people on welfare then repent. Just because any benefit can be abused does not mean you should not accept it when you legitimately need it. Join God in His work. You may think the process and paperwork is humiliating, but it really doesn't matter so long as it is the will of the Lord. There may be someone else in line God will lead you to pray for. God is always at work!

Don't obligate God without His permission. You'll face incredible pressure from bill collectors to commit to paying back the debt ASAP. You too will want to pay it off ASAP but the reality is you are not God and we are not allowed to obligate Him without His permission. We must give an account before God for what we do with the funds He channels through us. We cannot be driven by fear. We must let the Holy Spirit tell us what to do with the income God gives us. Unless God tells us to, we should not agree to make even a \$5 payment toward our debt. What good does it do to consolidate our bills and get a lower payment if we still can't afford the lower payment? If our payments are \$400 per month and we only have \$200 per month then make a lower payment. But if our payments are \$400 per month and we have \$0 per month then we cannot commit \$200 no matter how bad we'd like to.

Wait on the Lord! Regardless of popular opinion, "God helps those who help themselves" is NOT a verse in the Bible. It is NOT there! What the Bible does say is that God helps those who put their trust in Him. Like it or not trusting often means waiting on the Lord. Freedom to wait comes in surrendering the timing over to the Lord. Bills get paid when God pays bills. Let us remember that God is able to do more in one second than we can in a million years. It is a very good thing to wait on the Lord. Waiting does not mean being lazy and watching TV all day. It means hearing and obeying His voice under the accountability of His Word. God will never contradict His Word. He will speak to us through it and call us to obey it.

Take responsibility for the debt. If you owe the debt you owe the debt. Don't deny it. God says to let your yes be yes and your no be no. Don't tell creditors you will not pay them back. Quickly agree that you owe every penny then explain that you do not have the money right now,

but you will pay them back as soon as you can. Simplify your communication with them. Say it again and again, “You’re right. I owe you \$ _____. I’m sorry I do not have the money right now, I will pay you as soon as I can.”

Take your phone back! Ask all creditors to only contact you in writing. Ask each creditor for their address. Write a brief letter stating the above as well as “I hereby request that you only contact me in writing. Please do not contact me by phone. As soon as my situation changes I will contact you.” Creditors are required by law to note and uphold your request. You can choose to reply to their written correspondence, as you desire. You will likely find that even their written correspondence slows down. Don’t wait on your creditors to contact you. Beat them to it. This will relieve a great deal of stress and will be a witness that you are trying even though you cannot make payment. Don’t act like a “dead beat” even if they treat you like one.

Usually once an account goes unpaid for six months, it is not uncommon for creditors to write off or sell off bad accounts. When a creditor writes off a bad debt they simply post the unpaid debt on your credit report for up to 7 years. Usually, before you can buy real estate during that 7-year period you’ll be required to settle the account and clean the report. When a creditor sells off bad debts to other collection companies the new company will pursue payment and may need another letter in writing about the “do not call” request.

Wait 6 months to pay your debts. There are some unpublicized benefits to having a bad debt written off or sold off. It is likely that interest will stop. Though creditors are allowed by law to continue charging interest on bad debt even for years it is usually for around 8% and most likely dropped all together. It seems most creditors begin to care more about getting back their investment than burying bad debts in interest. Actually, it is not uncommon for creditors to offer “pay off settlements” agreeing to settle the account for 65% or less of the balance. Apparently most bad debt goes uncollected so some payment is better than no payment.

Pay unsecured debts last. During a financial crisis where you temporarily have little or no income don’t take the little money you get and pay on debts. Bill collectors can be most demanding, but be wise and accountable before God with the money entrusted to you. The priority should be (1) Tithe – recognize God is Provider. Thank Him. Return to God the first fruits tithe. Set aside 10% and put it in the offering at church that week. (2) Seek God’s will in meeting your needs. Don’t make a credit card payment for \$25 and then buy \$25 in gas using your credit card. (3) Consider payments on secured debts (auto loans and mortgages). (4) Consider utility payments – often energy assistance programs are available in the community. (5) Consider unsecured debt and medical bills last. Though these could be screaming the loudest, they really should be paid last until the financial hardship subsides.

Be willing to make necessary financial adjustments. Prayerfully consider if there are better ways to be a good steward. Perhaps you could turn off the mobile phone. Go without cable. Disconnect the Internet. Iron your own clothes instead of using a dry cleaner. Wash your own car instead of having it washed. Mow your own grass. Take your lunch to work instead of eating out. Let the Holy Spirit show you God’s plan of blessing your life.

Settle debts ASAP! It may take years, but be committed to paying the debt off as soon as you can. God requires us to return the first fruit or tithe to Him out of all the income He gives us. When we are in debt, another portion of our income should be going toward debt reduction at all times. Let God get you out of debt. Start by agreeing and committing to getting out of debt.

Honor your true identity. If you are alive in Christ then God, your Heavenly Father has adopted you into His family. When we adopt someone we adopt their blessings and their burdens. We adopt them and their “mess”. Parents don’t adopt children and then refuse to take care of their expenses. You are a King’s Kid! You are not a rejected stepchild. You are precious to Him. He gladly takes you and your bills!

If you are alive in Christ then you are the bride of Christ. Spouses can’t say, “I’ll take you, but not your bills!” When we marry we come with either our wealth or our debt and we have to accept either the wealth or the debt of our new spouse. Jesus our bridegroom gladly accepts us and our bills. When we are alive in Christ we are heirs to God’s throne. We are given access to everything Jesus owns. Come take your place as His bride!