

When does the Statute of Limitations start?

You might be asking yourself, "It has been such a long time since my "open account" has had any activity. When does my Statute of Limitations started ticking." The statute of limitations (SOL) is calculated by:

1. Taking the date you last made a payment and add 6 months to this date.
2. Add the number of years of the statute of limitations in your state.

Example: You last stopped paying on a credit card on Jan 15, 2001. The statute of limitations for credit cards (usually regarded as open accounts) in your state is 6 years.

The date at which you are "safe" from having a creditor sue you over this debt is:

Jan 15, 2001 + 6 months = July 15, 2001.

6 Years + July 15, 2001 = July 15, 2007 (Therefore, a creditor cannot sue you for this debt after July 15, 2007.)

Depending on what state you live in, if you make a partial payment, you could be postponing the Statute of Limitations' taking effect on your collection account or charge-off. A collector might call you one day and say you waived your rights when you made a deal with the collection agency. Do not take anything a collector tells you for granted. Make them prove it to you, in or out of court. For about half the population, the Statute of Limitations started ticking the day they made the last payment for their account.

What state should I use in figuring out the Statute of Limitations? According to Ron Opher, of www.ron4law.com: *In my opinion, the FDCPA applies, and so the only relevant jurisdictions are where the consumer signed the loan application and where the consumer currently lives (bank location is irrelevant). If those states are different, I believe the creditor has the choice of where to sue and can select the state with the longer SOL. There may also be an argument that the contract was signed "under seal" which might lead to a longer Statute of Limitations than an ordinary contract.*

Summation: Even though a debt is an absolute promise to pay, if the Statute of Limitations expiring is in force and the creditor tries to force you to pay the debt, you have the right not to fulfill the promise (debt). You may also read the FTC's publication on [Time Barred Debts](#)

<u>State</u>	<u>Written contracts</u>	<u>Oral contracts</u>	<u>Promissory notes</u>	<u>Open accounts (including credit cards)</u>
Alabama	6 years	6 years	6 years	3 years
Arkansas	6	3	5	3
Arkansas	6	3	5	3
Arkansas	6	3	5	3
Alaska	6	6	6	6
Arizona	6	3	5	3
Arkansas	6	3	5	3
Arkansas	6	3	5	3
California	4	2	4	4
Colorado	6	6	6	6
Connecticut	6	3	6	6
Delaware	3	3	6	3
D.C.	3	3	3	3
Florida	5	4	5	4
Georgia	6	4	6	4
Hawaii	6	6	6	6
Idaho	5	4	10	4
Illinois	10	5	6	5
Indiana	10	6	10	6
Iowa	10	5	5	5
Kansas	5	3	5	3

Kentucky	15	5	15**	5
Louisiana	10	10	10	3
Maine +	6	6	6	6
Maryland	3	3	6	3
Massachusetts +	6	6	6	6
Michigan	6	6	6	6
Minnesota	6	6	6	6
Mississippi	3	3	3	3
Missouri	10	5	10	5
Montana	8	5	8	5
Nebraska	5	4	6	4
Nevada	6	4	3	4
New Hampshire	3	3	6	3
New Jersey	6	6	6	6
New Mexico	6	4	6	4
New York	6	6	6	6
North Carolina	3	3	5	3
North Dakota	6	6	6	6
Ohio	15	6	15	6
Oklahoma	5	3	5	3
Oregon	6	6	6	6
Pennsylvania	6	4	4	6
Rhode Island	15	15	10	10
South Carolina	10	10	3	3
South Dakota	6	6	6	6
Tennessee	6	6	6	6
Texas	4	4	4	4
Utah	6	4	6	4
Vermont	6	6	6***	6
Virginia	5	3	6	3
Washington	6	3	6	3
West Virginia	10	5	6	5
Wisconsin	6	6	10	6
Wyoming	10	8	10	8

* Six years if contract is for payment of money.

** Five years if promissory note is added to a bill of sale.

+ The applicable statute of limitations in Maine and Massachusetts on a debt owed to a bank or on a promissory note signed before a witness is 20 years. (Me. Rev. Stat. Ann. Tit.14, s 751; Mass. Gen. Laws ch. 260, s 1.)

*** Vermont's statute of limitations on a promissory note signed before a witness is 14 years.

Source: Bankrate.com