

Bill collectors may call, but in most cases, you can't inherit a debt

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As the bills keep piling up, here's at least some debt relief: You don't have to take calls or pay the bills for relatives who died and didn't leave enough money to cover their outstanding expenses.

Now, don't go trying to scam bill collectors. (Lord knows, I've got plenty of bills to pay.) Big Mama taught us better than that.

But the Federal Trade Commission issued an alert recently to help consumers understand what their obligations are under the law when it comes to paying the debts of their deceased family members.

"Generally, someone's estate is responsible for paying their debts," the FTC said in its alert. "But if there isn't enough in the estate to cover the debts, they typically go unpaid."

In other words, it's not your problem.

We have enough problems with our troubled economy now. And as anyone could imagine, debt collectors are frazzled themselves, trying to keep up with the mounting bills people can't pay.

But John Nemo, spokesman for the Association of Credit and Collection Professionals, which represents more than 3,500 collection agencies nationwide, said for all the criticism of debt collectors, one thing the association does not endorse is unlawful collections and behavior. And collecting debts from the deceased is a common issue.

"That's a common question we get from consumers: 'Am I responsible for my mother's debt if she dies?' " Nemo said. "The answer is, No!"

To be clear, the person's estate is responsible. So before counting and divvying up the inheritance, make sure the bills are paid.

Like I said, Big Mama taught us better than that.

And, of course, everyone's looking for an extra dime or two right now.

"There's more debt out there than ever ... but it's harder than ever to collect," Nemo said.

"People don't have the money to pay back every single debt they owe," he said. "As debt collectors, in general, what happens is they are very wary about which debts and accounts to collect on."

Just know that from a consumer's perspective, it's a very good time because consumers are in a position to negotiate payment plans and long-term agreements.

The point is, don't let anxiety get the best of you because a debt collector calls, in particular when it comes to the death of a family member.

So here's the Edge, courtesy of the Federal Trade Commission:

Am I responsible for a deceased relative's debt?

You usually don't have a legal obligation to pay debts of a deceased relative who was not your spouse. Even a spouse's obligation to pay may be limited under state probate law. Consult a lawyer if you are not sure.

Do I have to speak with a debt collector who contacts me about the debts of a deceased relative?

No. But if you're a decedent's personal representative, or otherwise legally obligated to pay the debt, you may want to talk with the debt collector to see if you can resolve the matter.

Can I stop a debt collector from contacting me about the debts of a deceased relative?

Yes. If you decide that you don't want a debt collector to contact you again, write a letter to the collector saying so. Then, make a copy of your letter, send the original by certified mail, and pay for a "return receipt," so you will be able to document that the collector received it and when.

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