









Chapter 7 Exemptions

Below is a side-by-side comparison of some of the most common exemptions available in California. A Debtor must choose either System 1 or System 2. The law does not permit a Debtor to pick and choose from each System. There are more exemptions available that are not listed below. Your Bay Area bankruptcy attorney will discuss all California Chapter 7 exemptions available to you.

Property Type	System 1 (CCP 703)	System 2 (CCP 704)
Wildcard 	Can apply up to \$21,825 that debtor or dependent use as residence, or in personal property.	
Residence/Homestead 		(1) \$50,000 is single debtor. (2) \$75,000 if debtor is family unit. (3) \$150,000 if debtor or spouse is at least 65 years old, disabled, or if annual income is less than \$15,000 or \$20,000 if married. "Declared homestead" "Automatic homestead"
Household furnishings & personal effects 	\$525 in each item held primarily for personal, family or household use.	Exempt to the extent reasonably necessary for the personal use of debtor or dependent at debtor's residence.
Automobile 	\$3,300 equity in one vehicle	(1) \$2,550 in a personal vehicle (2) \$6,750 in a business vehicle
Tools of the Trade 	\$2,075 where used in the trade of the debtor or a dependent	\$6,750 exempt to the extent necessary to and actually used by the debtor in a business or trade (\$13,500 when debtor and spouse are in same trade)
Retirement, Pensions etc. 	The right to receive payment to the extent reasonably necessary for support of debtor or dependent, unless it does not qualify under IRS Code.	All amounts held, controlled or distributed from "private retirement plan."
Earnings 		75% of paid earnings within the last 30 days 75% of unpaid earnings unless debtor proves that some or all of excess is necessary for support of debtor's family
Jewelry, Heirlooms and Art 	\$1,350 in jewelry only	\$6,750 in jewelry, heirlooms and art