

File or Fold: The After-the-Final-Demand Checklist

The checks that tell you whether to file, write it off, or hand the debt to an agency

Run this list once your final demand deadline passes unpaid. It pairs with the Final Demand for Payment form. Full guide: clearlegaltips.com/final-demand-letter/

CONFIRM THE FILE IS READY

- ☐ Your first demand and its certified-mail receipt are saved
- ☐ The final demand and its delivery record are saved
- ☐ The amount matches your records to the dollar, unchanged across both letters
- ☐ The debt is inside your state's statute of limitations (California: 4 years written, 2 years oral)

OPTION A: FILE IN SMALL CLAIMS

- ☐ The amount is within your state's small claims limit (e.g., CA \$12,500, TX \$20,000, NY to \$10,000, FL \$8,000)
- ☐ The debtor has income or assets you could actually collect against
- ☐ You know your court's filing steps and fee for the next move

OPTION B: WRITE IT OFF

- ☐ Chasing the debt would cost more time and money than it is likely to return
- ☐ The debtor has no reachable assets, address, or income
- ☐ You have noted the write-off for your accountant and moved on

OPTION C: HAND IT TO AN AGENCY

- ☐ The debt is real and provable, but you are done spending time on it
- ☐ You accept that an agency takes a cut of what it collects
- ☐ You understand the agency, not you, is bound by the federal debt-collector rules

CONSIDER BEFORE COURT

- ☐ If the debtor made a genuine offer, mediation or another ADR option may settle it faster and cheaper

INSTRUCTIONS FOR USE

This checklist is general information, not legal advice. Once a final demand goes unanswered, the right move depends on the size of the debt, the odds of collecting, and what your time is worth. File when the amount fits small claims and the debtor can pay; write it off when chasing costs more than it returns; hand it to an agency when the debt is real but not worth your hours. Mind the statute of limitations the whole way, because once it closes the choice is made for you. The full guide, the state limits, and official sources are at clearlegaltips.com/final-demand-letter/