

6 Surprising Things Turned Over to Collection Agencies.

Once a collection agency announces, that you have debts that are unpaid, to the three major credit reporting bureaus, your credit rating is in jeopardy. Reporting your debt is one of their best weapons in getting your attention. They count on your fear of negative marks on your credit record to entice you to pay them.

Unfortunately, even if you do pay them, a debt collection agency is not required to remove negative information, and their statements will stay on your credit report for years. Working out payment plans or other alternatives before your debt is given to a collection agency is always preferable.

While we often hear stories of medical bills or credit card debt being sent to collections, there are many other types of bad debt that you may be surprised to find out is being given to a debt collection agency and putting your otherwise good credit rating at risk.

Here are many surprising things that can be turned over to a debt collection agency if left unpaid.

Unpaid Library Fines

The library offers so many services to the public, but what you borrow must eventually come back. In Pennsylvania's Allegheny County, for example, most libraries offer you several chances to pay off your fines, even with a repayment plan. However, in many cases, if a patron of the library didn't pay off the fines and continued to owe over \$50.00, their fines would be given to a debt collection agency.

Unpaid School Lunch Bills

The Augusta Chronicle reported earlier in 2010 that the Brantley County school board would use a collection agency to recoup money lost on delinquent school lunch accounts. The newspaper quoted the school as saying the amounts owed ranged from a few dollars up to nearly \$150.00.

Unpaid Utility Bills

Having the lights turned off for non-payment is bad enough, but the hit you take on your credit score adds an additional sting. Utility companies will use a debt collection agency to collect unpaid utility bills; an action that could end up stuck on your credit report.

"Think twice before stiffing US!"



Parking Fines

Not long ago, there was plenty of talk about the potential for parking fees to increase in Pittsburgh, Pennsylvania, with privatized parking. An increase in parking fees may tempt some to find more creative parking spaces. However, many cities, under pressure to meet budgets and bring in revenue during tough economic times, will turn unpaid parking fines over to a debt collection agency.



Gym Memberships

Your gym dues could end up on your credit record! Your gym membership is often created with a contract between you and the facility you'll be working out at. The gym creates a contract for you to sign that states you'll make regular monthly payments to them for a specified period of time.

As with any contract that involves you paying a specified amount each month you can be turned over to a collection agency if you fail to meet that obligation. A quick read of complaints online about gym membership fees being turned over to collection agencies, shows that it's generally the larger chain gyms that are more apt to take that action.



Other examples of companies that sell monthly memberships and have turned customers over to collection agencies for nonpayment are alarm monitoring companies, tanning salons, and gift giving clubs.



Your Ambulance Ride

When you're in need for an ambulance there is a charge that you will be billed for that can vary by several hundred dollars, based on a number of factors. For example, the type of care you need and the mileage traveled are part of what determines the final cost of your ambulance ride.

While your health insurance, if you have insurance, will pay for the cost of your ambulance ride, there has been controversy in the past over who receives payment for the ambulance ride.

In some cases a patient may not have been able to afford the cost of the ambulance ride, as they had no insurance. In other cases insurance companies would send payment directly to the insured (you), not the ambulance service. If the insured didn't know what the money was for, they may not have given it to the ambulance service. Some people may not even realize there is a charge for the ambulance ride; it is not a free public service.

Ambulance services who have not collected the fee they billed, either from you or your insurance provider, can turn that charge over to a debt collection agency. **TQR**

