

Recovery of Old Debts

This factsheet only applies to debts from NSW. Other states and territories have their own laws about how long a debt can be collected. Information only. You should get legal advice for your own situation.

Main ideas

- Unsecured debts (like credit cards or personal loans) that are older than 6 years may be 'statute barred'. You may not need to pay.
- For mortgages, car loans, guarantees and deeds, this period may be 12 years.
- Making a payment on an old debt, or admitting in writing that the debt is yours, 'restarts the clock'.
- Statute barred debts are rare – get legal advice if you're being chased for a debt you think is statute barred

In this fact sheet:

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[If someone says you owe them money from a long time ago, ask for information](#)

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You may not need to pay a debt more than 6 years old (or 12 years for some types of debt)

For the purposes of this factsheet, a debt is considered to be statute barred if it is more than 6 years old (or 12 years for some types of debt) and you have not made any payment or admission of liability in writing.

- Do not get attacked was so paying it sometimes make (only applies to NSW debts)

There are some debts where the lender or debt collector has 12 years to start court action

- Mortgage (debt on a house)

If someone says you owe them money from a long time ago, ask for information

Don't pay anything. Don't acknowledge you owe the debt

When someone says you owe them money from a long time ago, ask for information about the debt. Do not pay anything or acknowledge you owe the debt. This is an **'alleged debt'**.

Do not pay anything or acknowledge you owe the debt. If you do, you may be liable for the debt. You should get legal advice before you do anything. **If the debt collector or lender starts court action**

What can I do if I have a debt collector or lender starting court action?
Get legal advice urgently to make sure you have a good case to argue and understand the risks.

Need more help?

Visit our [Useful Links](#) page for a more information.
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