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A basic guidance to the fair debt collection act by [Smith Jhonson](#)

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The fair debt collection act is an act that is implemented by the federal government to protect the rights of both the debtor as well as the creditors. This act prohibits the debt collection agencies from harassing the consumers and from using any kind of abusive practices.

The method of collecting debts via the help of the debt collection agencies refer to the practise of pursuing for the repayments of the debt taken earlier by individuals. Usually the repayment amount for the debt is collected by the debt collection agencies. In case of the debt collection agency, they usually act as an agent from the creditor to the debtor. They take commission from the debts as a percentage of the total money collected.

The debt collection practices are mostly unfair on the debtors since the collector agent harasses the consumer to all possible extents. They call at home at odd hours; they visit the office premises and threaten the debtors with grave consequences unless they pay up some amount of money etc. In other words, they literally abuse the debtors to such an extent that not many people can handle such humiliation in public.

Usually all the countries that have such debt collection practices in their society, also have proper laws to govern the agencies. Such laws prohibit the creditors or the debt collectors from implementing such debt collection practices. Such a law in US is the fair debt collection act. Some of the collection agencies are also the subsidiaries of the credit companies and thus they are also sometimes referred to as the first party agencies. In case of such companies, there is no third party involvement and the first point of contact after the lender is the debt collection agencies.

But in the United States, the fair debt collection act is implemented on the third party agencies offering debt collection practices. This act has been passed in the year 1977. It prohibits the communication of debt to any third party apart from the creditor and the debtor. It also implements a certain limit to the hours during which the agency can make the calls to the debtor. It also prohibits the representation of the collection agencies in any false or deceptive manner. They are also not allowed to make threatening calls or gestures towards the debtor under any circumstances.

In brief, here are some of the clauses under the debt collection act.

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Smith Jhonson is a legal advisor who has good information on a [fair debt collection act](#). To know more on a [debt collection practices](#) please visits a <http://www.consumerlawfirmcenter.com/>.

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