

I'm broke but want to pursue my acting

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FROM FRIDAY'S GLOBE AND MAIL
JUNE 20, 2008 AT 9:41 AM EDT

THE QUESTION

I'm a 32-year-old actor and I recently went with my company on two tours of Europe. I came back way over my head in debt, which seems to keep piling up. I still have student loans to pay and, while it's a little embarrassing to admit, I haven't done my taxes for five years. I have never felt there was any way I could pay them! I know you're not a financial adviser but I need advice on how I can get a handle on this situation before my credit rating is completely trashed. My family is trying to get me to take an office job to pay the bills, but I've always wanted to make a go of it in theatre. A friend of mine declared personal bankruptcy and said it's the best thing he ever did. But I'm afraid of the long-term consequences. How can I manage my debt without giving up on my dreams?

THE ANSWER

First of all let me say: I've been in your boots.

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All through my 20s, while trying to establish myself as a writer, I played a cat-and-mouse game with my student-loan creditors.

One student-loan officer was like Holmes to my Moriarty, Porfiry to my Raskolnikov. I screened his calls, but he would phone at odd hours, sometimes on Saturday mornings, trying to catch me when I was groggy and disoriented.

"Dave's not here right now. May I take a message?" I would say, chipperly, as soon as I recognized the adenoidal twang of his voice.

"Who's this?" he would ask suspiciously. "This is Carl, Dave's roommate," I would say. He hated it; he knew it was me, but what could he do?

Once he called my grandmother in Minnesota. She freaked out and got on the blower to my father, who came down on me like darkness.

"Well played, Holmes," I thought.

Slowly, painfully, I learned what I feel were two important life lessons: 1) evasiveness and failing to return phone calls and acknowledge letters are not, in the long run, effective debt-management strategies; 2) sometimes even the most talented among us have to bite the bullet and get what my father would always refer to as a j-o-b.

First, though, you need to stop running, turn around and go eyeball-to-eyeball with your financial problems.

I ran your situation past Jeremy Kroll, a Toronto-based CIRP (Chartered Insolvency and Restructuring Professional: seriously, that's his job title) and bankruptcy trustee at A. Farber & Partners Inc.

Highest priority, he says: your tax returns. Do them. Now. Filing does not mean you have to pay right away. But you must file *prontissimo*.

If not - well, the government has all sorts of awesome and far-reaching powers. It can seize things. It can make assumptions about your income, and tax you on those assumptions. It can garnishee your wages.

It can even, without so much as a court order or a by-your-leave, reach into your chequing account with its big, hairy-knuckled, jewelled hand, grab a giant fistful of *your* cash, stuff it in a sack and carry it off to be poured out in front of Stephen Harper's feet.

Then you have to take a look at your other debts. Personal bankruptcy is an option. And I was surprised to hear from Mr. Kroll that if it's your first offence, and you attend mandatory credit-counselling sessions, you can get back online creditwise in nine months.

"The courts understand when you've had one 'oops,' " Mr. Kroll says, citing as an example a laid-off autoworker waiting for a plant to reopen who gets stretched too thin. "What's abhorrent to the [Bankruptcy and Insolvency] Act is people who use it as a financial planning tool."

I do not like this option. No matter what anyone says, it's the type of thing that follows you around. "Hey, isn't he the guy who declared bankruptcy?" And it stays on your credit history, which prospective employers will often ask for.

There's a middle-ground option that's less of a black mark on your record, and it's called a "Proposal under the Act" or a "consumer proposal." Basically, you agree to cough up a certain percentage of what you owe, say 25 cents on the dollar ("That's a popular figure," Mr. Kroll says), either over time or in a lump sum ("If, say, a relative is willing to lend you \$10,000 of the \$40,000 you owe," Mr. Kroll says.)

But I'm not crazy about that one, either. Particularly if you choose the pay-over-time option, it can take years to clear your credit and get back on track.

I hate to say this, and you probably hate to hear it, but it may be time to hang up the thespian's tights for a bit and find a bill-paying job or gig.

"As what, pray tell?" you may ask in your stentorian, Shakespearian tones, rolling the 'r' slightly, in a voice that carries to the back rows.

Whatever it takes, dude. That's what I did, coming up. Preferably something where they don't mind if you slip out for auditions.

Then maybe one day you will hit the jackpot - get cast as a gay priest, say, in a series called *Justin Time* about a cop who can see 10 seconds into the future - and you will be able to tell your boss what you really think, do what you love and live both large and within your means.

Until then, I'm afraid you may have to look to the left, look to the right and, holding hands with the rest of the troupe, take a deep bow; and with a brave, grateful expression on your face bound into the wings for a bit to get your financial house in order.

I would never advise anyone to give up on their dreams. But having a little intermission between acts can be a good thing. It's not a confession of failure, it's a concession to reality. I have every confidence you will come back refreshed and ready to chew up the scenery with renewed gusto, *sprezzatura* and histrionic flair.

David Eddie is a screenwriter and the author of Chump Change and Housebroken: Confessions of a Stay-at-Home Dad.

I've made a huge mistake

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