

WORTHLESS CHECKS ARE BAD FOR BUSINESS

We have all had experiences with returned checks. How we handle them is a matter of making a business decision to accept it, or do something about it.

Our experience tells us to not ignore it, but pursue the maker until you get paid!

There are several reasons this is a good practice.

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First, the money is owed to you, unless this is a dispute. To let someone steal from you and ignore it is not a good practice.

Second, by not pursuing the maker, you are condoning their bad practice, and letting them know you are an easy touch. They will likely do it again if you ignore it.

When you have the reputation of not allowing a returned check to be ignored, you will prevent future customers from using you as their cookie jar.

The practice of pursuing bad checks – regardless of how small the amount – will establish you as a company not to be trifled with. The word gets out on the street that you had better not write a bad check to your firm because there will be consequences. This works over time and must be a part of your overall business practice. In other words, your company will not tolerate a worthless check, no how.

Florida has been known as a debtors paradise. That situation remains today. The Florida legislature has tried to deal with that fact over the years, and today we have the revised worthless check statutes, which are a big improvement over previous laws.

The maker of a worthless check is given thirty (30) days to make good on the check before any legal action can be initiated. The receiver of a worthless check has to send a Certified Letter to the maker stating the actions to follow if the check is not made good in a given period. There is also the fact that the recipient is entitled to three times the face amount of the check plus any bank charges, filing fees, attorney fees and any related expense involved in the collection of the bad check.

Knowing your rights and the correct procedure to collect the check and use the courts to that end will make your job easier and your business more successful.

Grass River Publishing has the manual to aid in that mission. We hope you avail yourself of that resource to help collect any worthless checks in your future.

