

Encore and Members of Congress Empower Consumers Through Debt Forgiveness Tax Relief

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Legislation Would Help Millions of Americans on Their Path to Financial Well-Being

SAN DIEGO, July 21, 2015 (GLOBE NEWSWIRE) -- [Encore Capital Group](#), Inc. (NASDAQ:ECPG), an international specialty finance company, announced today that it has taken its consumer-centric focus to a new level by collaborating with U.S. Reps. Scott Peters (CA-52) and Duncan Hunter (CA-50) to create a bill that would exempt up to \$2,500 worth of forgiven personal and household debt from federal taxation. The bill (H.R. 2640) was recently introduced as the "Consumer Debt Forgiveness Tax Relief Act of 2015."

Under the current system, a consumer who is forgiven personal or household debt is still burdened with a tax on the value of that forgiven debt. This tax obligation is often the last considerable hurdle for consumers' financial recovery.

"Through our work with millions of consumers, we've seen firsthand that the current system creates a frustrating 'one step forward, two steps back' situation that penalizes people who are doing the right thing by repaying their debt," said Sheryl Wright, Encore Capital Group's Senior Vice President of Corporate & Government Affairs. "This legislation seeks to empower consumers at a critical juncture on their path to financial recovery and stability."

Typically, when Encore works with consumers who owe a debt to create a workable repayment plan, the company offers a significant discount, referred to as *debt forgiveness*. In 2014 alone, Encore is proud to have forgiven more than \$355 million of debt to approximately 445,000 consumers. Through this legislation, that debt forgiveness would no longer be a tax burden for millions of Americans.

Collaboration on this landmark consumer legislation is a natural step for Encore, which was the first and only debt buyer to create a [Consumer Bill of Rights](#). The company believes in the importance of advocating for policies that will benefit consumers and get them back on a more stable financial footing.


"We greatly appreciate Congressmen Peters and Hunter's leadership on this important issue," said Wright. "With up to 1 in 5 Americans having an account in collections, it is in everyone's interest to give consumers more opportunities to get back on the path to financial well-being, and Encore is happy to be a part of that. We look forward to working with Congress as this bill moves through the legislative process and into law."

About Encore Capital Group, Inc.

Encore Capital Group is an international specialty finance company that provides debt recovery solutions for consumers and property owners across a broad range of assets. Through its subsidiaries, Encore Capital Group purchases portfolios of consumer receivables from major banks, credit unions, municipalities, and utility providers, and partners with individuals as they repay their obligations and work toward financial recovery.

Headquartered in San Diego, Encore is a publicly traded NASDAQ Global Select company (ticker symbol: ECPG) and a component stock of the Russell 2000, the S&P Small Cap 600, and the Wilshire 4500. More information about the company can be found at <http://www.encorecapital.com>. More information about the Company's Cabot Credit Management subsidiary can be found at <http://www.cabotcm.com>. These websites, and the information contained therein, are not incorporated into and are not a part of this press release.

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