

## Make Sure Your Credit Report is Accurate

Once a year, it's good idea to check your credit report for accuracy. If you find any errors, protect yourself legally by contacting the reporting bureau in writing within 30 days. You can order your report from any of these three national credit bureaus for a fee ranging from free to about \$8.

### Equifax

P.O. Box 105873, Atlanta, GA 30348  
Report Order: 1-800-685-1111  
Fraud Hotline: 1-800-525-6285  
[www.equifax.com](http://www.equifax.com)

### Experian

P.O. Box 2104, Allen, TX 75013-2104  
Report Order: 1-888-397-3742  
Fraud Hotline: 1-888-397-3742  
[www.experian.com](http://www.experian.com)

### Trans Union

P.O. Box 390, Springfield, PA 19064-0390  
Report Order: 1-800-888-4213  
Fraud Hotline: 1-800-680-7289  
[www.tuc.com](http://www.tuc.com)

For more information, visit  
[www.practicalmoneyskills.com](http://www.practicalmoneyskills.com)



## Credit History

[www.practicalmoneyskills.com](http://www.practicalmoneyskills.com)



## Your Credit History — A Public Record of How Well You Handle Credit

To get a glimpse of your financial future, many businesses look at your financial past. This history is contained in your credit report. A good credit report can not only help you obtain new financial products, but also secure a new home loan, or even get less expensive car insurance. This pamphlet explains why your credit history matters, how to correct credit report errors, what credit bureaus are, and how to keep your credit rating strong.

## Your Credit History and How it Affects Your Future

### Practical Money Skills Pamphlet Series:

Overview

Avoiding Credit Trouble

Budget Basics

Card Security

Credit Card Basics

**Credit History**

Debit Card Basics

*When you understand how to manage your finances, you've got an invaluable tool in taking control of your life. Wise use of these skills can provide peace of mind, financial freedom, increased buying power and a secure future. This pamphlet is one of a series on **Practical Money Skills for Life.***

For more information, visit  
[www.practicalmoneyskills.com](http://www.practicalmoneyskills.com)



# Establish a Credit History You'll Be Proud to Have

## What Is a Credit History?

Your credit history is a financial profile. It lets lenders know how you have managed money matters in the past and helps them decide whether or not to do business with you. This history is contained in a credit report that is kept on file by credit bureaus, and may include such information as:

- How promptly you have paid off credit cards and loans
- How well you have handled other bills, such as rent and utilities
- Your checking and savings account histories, including bounced checks
- Your total outstanding debts
- How much credit you still have available on your cards

## Who Can See Your Credit Report?

Your credit report can be, and most likely will be, reviewed by anyone planning to give you a loan or credit, such as loan issuers, card issuers, auto financing companies, and insurance companies. Your report also may be checked by landlords and potential employers. In most cases, they are simply verifying the accuracy of the information you have given them. Some lenders may also use the details in your report to determine how much credit they are willing to offer you. Credit bureaus are not required to notify you when someone asks to see your report, since access is only allowed with your authorization. So, be aware of what you're signing.

## Checking Your Own Credit Report

It's a good idea to check your credit report at least once a year to see what it says about you. Just contact any of the credit bureaus listed on the back of this pamphlet. You may be charged a small fee. However, if you have been denied credit in the past 60 days, you have the legal right to receive a free copy of your report from the bureau that issued it.

## How to Correct Credit Report Errors

If your credit report contains any mistakes, credit bureaus are bound by law to correct them at no charge, providing that you inform the bureau of the problem in writing within 30 days of receiving your report. Remember the report is supposed to contain accurate information—good and bad. If the investigation of your claim does not lead to a satisfactory result, you can send the bureau a written statement of up to 100 words explaining the situation again. Be sure to include photocopies or other proof to support your claim. In many cases, the bureau will have to include your statement with any future reports that contain the disputed information.

## Beware of “Quick Fixes” for Accurate Credit Problems

If you've had any late payments, foreclosures, or repossessions, this information stays in your credit report for up to seven years. If you've filed for bankruptcy, this information can stay in your report for up to 10 years. Some companies claim they can “fix” such problems for a fee. However, **it is legally impossible to alter an accurate credit history**. If you find yourself in financial trouble, work instead with a budget and your creditors to reestablish a good credit rating.

## A Few Facts About Credit Bureaus

Credit bureaus are independent agencies that collect personal credit information and distribute it to lenders. Although there are local agencies in many states, most credit reports are managed by the three national bureaus listed on the back of this pamphlet. All credit bureaus should have the same information about your credit history.

## Tips to Keep Your Credit Rating Strong

- Complete credit applications carefully and always use the same name.
- Use your credit cards responsibly to establish a positive pattern of paying your bills on time, but don't let them reach their limit or spend beyond your means.
- Always pay bills on time and make at least the minimum payment.
- If you move, let your creditors know your new address as soon as possible to avoid losing bills or receiving them late.
- If you have problems paying your bills, contact your creditors. In many cases, they will work with you to figure out a payment plan.

*To learn more about how a larger financial management plan can help you maintain a favorable credit history, visit [For an online budget worksheet, that calculates the figures for you, visit \*\*www.practicalmoneyskills.com\*\*](#)*