

Improving Your Credit

Having good credit can help you get things like a loan or credit card, an apartment, and sometimes even a job. Learn how to get credit or improve your credit.



How do I get credit?

When people talk about your credit, they mean your credit history. Your credit history describes how you use money.

To build a credit history, you'll need to pay bills that are included in a credit report. For example, many credit cards and secured credit cards put information into credit reports.

Read **Getting a Credit Card** at consumer.gov/credit to learn more.

But you might not have a credit history if:

- ▶ you haven't had a credit card
- ▶ you haven't gotten a loan from a bank or credit union

Without a credit history, it can be harder to get things like a job, an apartment, or even a credit card. It sounds crazy: You need credit to get credit.

How do I build and improve my credit?

It takes time, but you'll be able to build and improve your credit by:

- ▶ paying your bills by the due date
- ▶ using your credit card a few times a month, and paying the whole bill every month
- ▶ paying off debt — especially on your credit cards. Owing a lot of money can hurt your credit.

Read **Checking Your Credit Report** at consumer.gov/credit to learn how to get your credit report for free. You'll want to make sure the information there is correct.



What do credit repair companies do?

Some people hire credit repair companies to fix mistakes on their credit reports. But anything a credit repair company can do legally, you can do yourself for little or no money.

A credit repair company can't remove negative information from your credit report if that information is true. If they say they can, it's a scam. Here are some other signs you might be dealing with a credit repair scam:

- ▶ Scammers insist you pay them before they help you.
- ▶ Scammers tell you not to contact credit bureaus directly.
- ▶ Scammers tell you to dispute information in your credit report you know is true.
- ▶ Scammers tell you to lie on your applications and file false identity theft reports.
- ▶ Scammers don't explain your legal rights when they tell you what they can do for you.

If you spot a credit repair scam, tell the Federal Trade Commission:

- ▶ Go online at [ReportFraud.ftc.gov](https://www.ftc.gov/report-fraud)
- ▶ Call **1-877-382-4357**

