

Fixing Your Credit FAQs



Is information on your credit report correct — just not so good? No one promising to repair your credit can legally remove information if it's both accurate and current. But there are steps you can take to fix mistakes and improve your credit.

Maybe you've heard about credit repair companies and are wondering if they can help? Be careful: many are scams. Here's what you need to know about fixing your credit.

Your Credit History

What makes my credit good or bad?

Whether you have “good” or “bad” credit is based on your credit history. Find out what your credit history looks like by checking your credit report. Your credit report has information about whether you pay your bills on time, what loans and credit cards you have (and the amounts you owe), and whether you've filed for bankruptcy. The more positive information you have in your credit report, like timely payments and low credit card balances, the better your credit will be.

What happens if there's negative information in my credit report?

Credit bureaus sell the information in your report to businesses that use it to decide whether to loan you money, give you credit, offer you insurance, or rent or sell you a home. Some employers use credit reports to decide whether to hire you. The strength of your credit history also affects how much you'll have to pay to borrow money. If there's a lot of negative information in your report, you might have to pay more in interest.

Can I get negative information removed from my credit report if it's true?

Not usually. Most negative information will stay on your report for seven years, and bankruptcy information will stay on for 10 years. Companies that promise to repair your credit can't remove truthful information — it takes time to go away.

There are exceptions. In certain situations — like when you're being considered for a job paying more than \$75,000 a year, or you're trying to get a loan or insurance valued at more than \$150,000 — a credit bureau may include older negative information on your report that wouldn't show up otherwise.

Your Free Credit Reports

How do I know what's in my credit report?

Each of the nationwide credit bureaus — Equifax, Experian, and TransUnion — is required to give you a free copy of your credit report once every 12 months if you ask for it at [AnnualCreditReport.com](https://www.annualcreditreport.com), or by calling 1-877-322-8228, or using the mail-in form (**see p. 7**). Otherwise, a credit bureau may charge you a reasonable amount for another copy of your report within a 12-month period.

Consider getting your reports at least once a year. You can get your free reports from each of the credit bureaus at once, or you can spread them out throughout the year. Some financial advisors say staggering your requests during a 12-month period may be a good way to keep an eye on whether the information in your reports is accurate and complete. But since each credit bureau gets its information from different sources, the information in one credit bureau's report may not be completely the same as information in your reports from the other two credit bureaus.

Also, everyone in the U.S. can get six free credit reports per year from Equifax through 2026 by visiting [AnnualCreditReport.com](https://www.annualcreditreport.com) or by calling 1-866-349-5191. That's in addition to the one free Equifax report (plus your Experian and TransUnion reports) that you can get annually at [AnnualCreditReport.com](https://www.annualcreditreport.com).

You're also entitled to another free report each year if

- you're unemployed and plan to look for a job within 60 days
- you're on public assistance, like welfare
- your report is inaccurate because of fraud, including identity theft

If you think someone might be using your personal information to open accounts, file taxes, or make purchases, go to [IdentityTheft.gov](https://www.identitytheft.gov) to report it and get a personalized recovery plan.

What happens if a company takes a negative action against me because of something in my credit report?

Be sure to check your reports before you apply for credit, a loan, insurance, or a job. If you find mistakes in your credit report, contact the credit bureaus and the business that supplied the information to get the mistakes removed from your report.

When a company takes "adverse action" against you, like turning you down for credit or a job, because of something in your credit report, you're entitled to another free credit report. To get it, ask for it within 60 days of getting notified about the action. The company must send you a notice that includes the name, address, and phone number of the credit bureau that gave the company your credit report, so you'll know which credit bureau to ask.

What if I see a mistake on my credit report?

You can dispute mistakes or outdated things on your credit report for free. Both the credit bureau and the business that supplied the information about you to a credit bureau are responsible for correcting inaccurate or incomplete information in your report. Make sure the information in your report is accurate, complete, and up to date before you apply for a loan for a major purchase like a house or car, buy insurance, or apply for a job.

How do I dispute mistakes on my credit report?

Write letters to the credit bureau and the business that reported the information. Use our sample letters to credit bureaus (**see p. 8**) and to businesses (**see p. 9**) to help write your own.

Is there anything else I can do to improve my credit?

It takes time, but you can improve your credit by paying your bills by the due date, paying off debt — especially on your credit cards — and not taking on new debt. Paying bills on time and having low balances can help you build a solid credit history. If you're in debt and need help, a reputable credit counseling organization might be able to help. Good credit counselors spend time discussing your entire financial situation with you before coming up with a personalized plan to solve your money problems. They won't promise to fix all your problems or ask you to pay a lot of money before doing anything.

You often can find non-profit credit counseling programs offered through

- credit unions
- universities
- military personal financial managers
- Cooperative Extension Service branches

Credit Repair

What is a credit repair company?

People hire credit repair companies to help them investigate mistakes on their credit reports. But credit repair companies can't remove negative information that's accurate and timely from your credit report.

Is using a credit repair company a good idea?

Anything a credit repair company can do legally, you can do for yourself at little or no cost. Only time and a plan to repay debt will fix your credit. You can improve your credit by showing over time that you can pay your debts on time.

Are there rules for credit repair companies?

It's illegal for credit repair companies to lie about what they can do for you, or charge you before they help you. Credit repair companies also must explain your legal rights in a written contract that also details the services they'll perform, your three-day right to cancel without any charge (and give you a written cancellation form), how long it will take to get results, the total cost you'll pay, and any results they guarantee.

How do I know if I'm dealing with a credit repair scam?

Here's how to know if you're dealing with a scammy credit repair company:

- Scammers insist you pay them before they help you.
- Scammers tell you not to contact the credit bureaus directly.
- Scammers tell you to dispute information in your credit report you know is accurate.
- Scammers tell you to lie on your applications for credit or a loan.
- Scammers don't explain your legal rights when they tell you what they can do for you.

These are not just bad ideas, they're also scams — and they'll hurt your credit if you buy into the scam. If a company promises to create a new credit identity or hide your bad credit history or bankruptcy, that's also a scam. These companies often use stolen Social Security numbers, or they get people to apply for Employer Identifications Numbers (EINs) from the IRS under false pretenses. They do that to create new credit reports. If you use a number other than your own to apply for credit, you won't get it. And you could face fines or prison.

What To Do If You Paid a Scammer

Scammers often ask you to pay in ways that make it tough to get your money back. No matter how you paid a scammer, the sooner you act, the better.

Report Credit Repair Scams

Where do I report a credit repair scam? If you have a problem with a credit repair company, or if you see a scam, fraud, or bad business practice, report it to

- the FTC ([ReportFraud.ftc.gov](https://www.ftc.gov/ReportFraud))
- your state attorney general ([consumerresources.org/file-a-complaint/](https://www.consumerresources.org/file-a-complaint/))
- your local consumer affairs office ([usa.gov/state-consumer](https://www.usa.gov/state-consumer))

Where can I learn more?

Learn more about debt and credit-related issues at [ftc.gov/credit](https://www.ftc.gov/credit).



Annual Credit Report Request Form

You have the right to get a free copy of your credit file disclosure, commonly called a credit report, once every 12 months, from each of the nationwide consumer credit reporting companies - Equifax, Experian and TransUnion.

For instant access to your free credit report, visit www.annualcreditreport.com.

For more information on obtaining your free credit report, visit www.annualcreditreport.com or call 877-322-8228.

Use this form if you prefer to write to request your credit report from any, or all, of the nationwide consumer credit reporting companies. The following information is required to process your request. Omission of any information may delay your request.

Once complete, fold (do not staple or tape), place into a #10 envelope, affix required postage and mail to:

Annual Credit Report Request Service P.O. Box 105281 Atlanta, GA 30348-5281.

Please use a Black or Blue Pen and write your responses in PRINTED CAPITAL LETTERS without touching the sides of the boxes like the examples listed below:

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z 0 1 2 3 4 5 6 7 8 9

Social Security Number:

Grid for Social Security Number: [][][][] - [][][] - [][][][][][][]

Date of Birth:

Grid for Date of Birth: [][][] / [][][] / [][][][][]
Month / Day / Year

Fold Here

Fold Here

Grid for First Name and M.I. (Middle Initial)

First Name

M.I.

Grid for Last Name and suffix (JR, SR, III, etc.)

Last Name

JR, SR, III, etc.

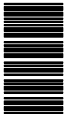
Current Mailing Address:

Grids for Current Mailing Address: House Number, Street Name, Apartment Number / Private Mailbox, For Puerto Rico Only: Print Urbanization Name, City, State, ZipCode

Previous Mailing Address (complete only if at current mailing address for less than two years):

Grids for Previous Mailing Address: House Number, Street Name, Apartment Number / Private Mailbox, For Puerto Rico Only: Print Urbanization Name, City, State, ZipCode

Shading instructions: Shade Circle Like This -> ●, Not Like This -> ⊗ ⊙. I want a credit report from (shade each that you would like to receive): Equifax, Experian, TransUnion. Shade here if, for security reasons, you want your credit report to include no more than the last four digits of your Social Security Number.



If additional information is needed to process your request, the consumer credit reporting company will contact you by mail. Your request will be processed within 15 days of receipt and then mailed to you.

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Sample Letter to Credit Bureaus Disputing Errors on Credit Reports

Use this sample letter to dispute mistakes on your credit report. Your letter should clearly identify each item in your report you dispute, state the facts, explain why you dispute the information, and request that it be removed or corrected. You may want to enclose a copy of your credit report with the items in question circled. Send your letter by certified mail with “return receipt requested,” so you can document that the credit bureaus got it. Keep your original documents. Include copies of the documents that support your request and save copies for your files.

[Date]

[Your Name]

[Your Address] [Your City, State, Zip Code]

[Credit Bureau Name]

[Street Address] [City, State, Zip Code]

Subject: Disputing Information in Credit Report

I am writing to dispute the following information in my file.

This item [**for instance: retailer account at ABC Department Store**] is inaccurate [**or incomplete**] because [**describe in detail what is inaccurate or incomplete and why**]. I am requesting that this item be removed [**or request another specific change to correct the information**].

[List and describe any other items you are disputing.]

Enclosed is documentation supporting my request: [**describe the documents you’re sending, for instance: my credit report, with the disputed items circled.**]

Please investigate this matter and delete [**or correct**] the disputed item[s] as soon as possible.

Sincerely,

[Your name]

Enclosures: [List what you are enclosing.]

Sample Letter for Disputing Errors on Credit Reports to the Businesses that Supplied the Information

Use this sample letter to dispute incorrect or inaccurate information that a business supplied to credit bureaus. Your letter should identify each item you dispute, state the facts, explain why you dispute the information, and ask that the business that supplied the information take action to have it removed or corrected. You may want to enclose a copy of your report with the item(s) in question circled. Send your letter by certified mail with “return receipt requested,” so you can document that the business got it. Keep your originals. Include copies of the documents that support your request and save copies for your files.

[Date]

[Your Name]

[Your Address] [Your City, State, Zip Code]

[Business Name]

[Street Address] [City, State, Zip Code]

Subject: Disputing Information in Credit Report

I am writing to dispute the following information that your company supplied to **[give the name of the credit bureau whose report has incorrect information]**. I have circled the items I dispute on the attached copy of my credit report(s).

This item **[for instance: retailer account at ABC Department Store and the account number]** is inaccurate **[or incomplete]** because **[describe in detail what is inaccurate or incomplete and why]** I am requesting that **[business name]** have the item removed **[or request another specific change to correct the information.]**

[Add list and description of other disputed items, if that applies.]

Enclosed are copies of **[my credit report and any other documents enclosed with a short description, for instance, your record of payments made]** supporting my request. Please reinvestigate this matter and contact the nationwide credit bureaus to have them delete **[or correct]** the disputed item(s) as soon as possible.

Sincerely,

[Your name]

Enclosures: **[List what you are enclosing.]**



Federal Trade Commission
[consumer.ftc.gov](https://www.consumer.ftc.gov)
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