

Are Errors Damaging Your Good Credit?

If you pay your debts promptly and use credit wisely, you should have a good credit rating, shouldn't you?

In most cases the answer will be yes, but not when your credit bureau file contains errors that negatively affect your credit standing. Errors in credit bureau files are not uncommon. Credit report inaccuracies may be due to mistaken identity (information on someone else's account showing up on your report), old information not being dropped from the report on time, or a creditor incorrectly reporting an account as past due or unpaid.

Another, more potentially damaging source of credit report inaccuracy is identity theft, the nation's fastest growing white-collar crime. Criminals often call their victims and obtain account information, driver license numbers and Social Security numbers by posing as merchants, financial institutions, or even law enforcement. Another common practice is stealing mail, or sorting through trash for personal information. Criminals can use this personal information to access the accounts you already have, and to create new accounts for their own use.

It is important to request that incorrect information be removed from your report. These errors can lower

your credit score, making credit more difficult to obtain and expensive to use. Checking your credit report regularly is a crucial first step in protecting yourself from fraud or inaccurate reporting. Everyone should review their report no less than once a year. If your report has evidence of substantive errors or identity theft, a more frequent check is advisable. Always review your report before applying for large purchases such as an auto or a home. In the case of a home purchase it might save you thousands of dollars in interest fees over the life of the mortgage.

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Our partnership with **BALANCE Financial Fitness, a free financial education and counseling service**, gives you access to counselors who can help you obtain a copy of your credit report, review the report with you and provide steps to correct errors and limit your risk of identity theft.

Call (888) 456-2227 to speak with a financial counselor about your credit report, identity theft, or other financial concerns. There is a small fee to obtain a copy of your report (if you do not already have one) but the credit report review and advice is free.