

# 7 Reasons to Check Your Credit Report

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Have you checked your credit report lately? Below are seven reasons you should check it at least once a year.

**1) It's FREE!** The only official free location to check your credit report is at [www.annualcreditreport.com](http://www.annualcreditreport.com). You can also call toll free at 1-877-322-8228, or you can request it through regular mail by filling out an online form. Other companies may claim to have free credit reports, but their

reports are not really free or they have “strings attached.”

**2) Information is power.** Monitor your credit throughout the year by checking the report from one of the three credit bureaus. December near year end, April during tax preparation and August during back to school are good times to remember to request your reports. The key is to look for inaccurate or unauthorized activity. Examples might be a late payment showing on the report, even though you have paid off the balance and closed the account, or an account you did not open. You should contact the credit bureau and request that they correct the information. You can dispute credit bureau errors by writing a letter. Sample letters can be found online. The quickest way to dispute information is on the credit bureau website when you get your report. Follow the links provided on the website. The credit bureau has 30 days to correct the inaccurate information.

**3) It's Important.** Check your credit score. When applying for credit, it is helpful to know that your report is in good shape and you have a good credit score. Unfortunately, your free credit report will not show your credit score for free. You can request your score for a fee from any of the three credit bureaus, but the best place to check your score is at [www.myfico.com](http://www.myfico.com) since the FICO score is the score that companies usually use when you apply for credit.

4) There may be **incorrect** or fraudulent information affecting your credit.

5) You can **take action** to increase your score. It's important to know your number.

**6) It's important to know your rights.** If a company takes adverse action against you, such as denying your application for credit, insurance or employment based on information in your report, you are entitled to a free report under federal law, even if you have requested your free report within the

past 12 months. You must ask for your report within 60 days of receiving notice of the action. The notice will give you the name, address and phone number of the credit reporting agency. You're also entitled to one free report a year if you are unemployed and plan to look for a job within 60 days, if you're on welfare or if your report is inaccurate because of fraud, including identity theft.

**7) It is helpful.** If you have been the victim of identity theft, request that the nationwide consumer credit reporting companies place "fraud alerts" in your file. This will let potential creditors and others know you have been the victim of fraud. Although it may delay your ability to obtain credit, a fraud alert can make it more difficult for someone to get credit in your name because it tells creditors to follow certain procedures to protect you. You can place a fraud alert in your file by calling one of the three nationwide consumer credit reporting companies. That credit bureau will notify the other two, and they will then also place fraud alerts in your file.

- If you suspect your minor child's information has been used fraudulently, contact the credit reporting agencies directly and also report the illegal use of your child's information to law enforcement. The credit reporting agencies do not knowingly maintain credit files on minor children, but to report fraud, you can give each agency your child's complete name, address, date of birth and a copy of his or her birth certificate and social security card. They will need a copy of your driver's license or other government-issued proof of your identity that includes your current address. They will also need a utility bill containing your current address. For additional information on identity theft, check online at [www.ftc.gov/bcp/edu/microsites/idtheft](http://www.ftc.gov/bcp/edu/microsites/idtheft).



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