

# You Can Check Your Credit Rating

Cooperative Extension Service  
College of Agriculture and  
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## Guide G-216

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If you have borrowed money to buy a home, have charge accounts, or have bought insurance for your auto, home or life, you probably have a “credit rating.” Your “credit rating” is in a file somewhere. It contains information about your payment history.

Is the information that credit bureaus have in your file up-to-date and accurate? Computer mix-ups or reports for John D. Doe instead of John E. Doe can result in an incorrect credit record.

How can you make sure that your credit record is based on accurate facts? The Fair Credit Reporting Act guarantees certain consumer rights when credit information is collected and reported.

### COMMON QUESTIONS ABOUT CREDIT REPORTS.

#### **Q. Can I check the information in my file?**

**A.** Yes. If you present proper identification, the credit bureau must disclose all information in your file and tell you where it came from.

#### **Q. Is there a charge to see the file?**

**A.** There is no charge if you have been denied credit in the past 30 days or have received a notice from a collection department affiliated with the credit bureau. If you are just curious, there may be a charge.

#### **Q. What is in my credit file?**

**A.** Information that has a bearing on your ability to pay bills, including address, social security number, marital status, past and present length of employment, income, number of dependents, and record of bill paying habits. It also includes information from public records covering law suits, arrests, judicial decisions and divorce.

#### **Q. How can I correct an error in my file?**

**A.** The credit bureau must reinvestigate any item that you question. If the information is incorrect, it must be deleted from your file.

#### **Q. What if they say it is not a mistake?**

**A.** If there is a dispute, you may file a brief statement reporting your side of the issue. Your statement must be included in any future reports concerning the item in question.

#### **Q. Does the credit bureau recommend whether I should get credit?**

**A.** No. The credit bureau only gives the information from your file to credit grantors who make the decision whether or not you receive credit.

#### **Q. How long does adverse information remain in my file?**

**A.** Bankruptcies are reported for 10 years. Suits and judgments can be reported for seven years. Tax liens, collection accounts, accounts charged to bad debts, records of arrests, convictions or other adverse information may be reported for seven years.

#### **Q. What is a credit report?**

**A.** A credit report is information provided by a reporting agency, often called a credit bureau, which gives a consumer's bill paying history or habits based on the information in his file.

#### **Q. Who can obtain information from my file?**

**A.** 1) A credit report can only be furnished to someone with a legitimate business need for the information. This includes businesses that are:

- extending credit, collection or review of an account
- considering you for employment
- considering you for insurance

2) When ordered by a court.

3) If you request a report in writing.

- 4) A governmental agency, if the agency is required by law to determine your eligibility for a license or to consider your financial status for any other benefit. (Example: military security clearance)
- 5) Others who have a legitimate business need involving a business transaction with you. (Example: potential partnership, investment or lease.)

**Q. Can I find out who received credit reports about me?**

- A. You must be told the names of those who have received credit reports about you in the past six months and the names of those who have received employment reports in the past two years.

**Q. How will I know if I have been refused credit because of a credit report?**

- A. The store or company (credit grantor) who refuses to extend credit to you because of information in a credit report must tell you so. The credit grantor must also give you the name of the credit bureau that supplied the report.

**Q. Will information on married women be reported in her name as well as her husband's if both names are on the account.**

- A. All accounts opened since June 1, 1977, which both spouses may use and for which both are liable, must be reported by creditors in both names.

If you have joint accounts that were opened before June 1, 1977, it may be necessary for you to contact the creditors to have information reported in your name as well as your spouse's name.

Most creditors sent notices in 1978 asking how information should be reported. If you did not receive or respond to the notices, you can contact the creditors now asking to have information reported in your name, too. The Federal Trade Commission suggests using this form to notify creditors (fig. 1).

**Q. Can I find out who asks for the investigation about me?**

- A. Anyone who orders an investigative report must notify you within three days after the report is requested. They must also include a statement

informing you that you have the right to request information concerning the nature and scope of the investigation.

**Q. How can a married woman establish a separate file?**

- A. You can request that the credit bureau open a file in your own name. If you need your separate file brought up to date, the credit bureau may charge a reasonable fee for contacting your credit grantors.

**Q. What is the difference in credit reports and investigative reports?**

- A. Credit reports are used to determine your credit worthiness. Investigative reports are used by insurance companies to determine whether to issue insurance to you and by prospective employers. Investigative reports contain information obtained by outside investigators through personal interviews with friends, neighbors or associates about a consumer's character, general reputation, personal characteristics or mode of living. The credit report does not generally contain information by outside investigators.

Under the Equal Credit Opportunity Act, I request that you report all credit information on this account in both our names.

Account Number			
<hr/>			
Name	First	Middle	Last
<hr/>			
Name	First	Middle	Last
<hr/>			
Street, Number, Apartment			
<hr/>			
City, State, Zip			
<hr/>			
Signature of either spouse			
<hr/>			

**Figure 1. Federal Trade Commission form.**

*Originally written by Jackie Martin,  
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