

# Consumer and Family Sciences



Department of Consumer  
Sciences and Retailing

## To Your Credit: Fact Sheet 7

### Checking Your Credit Report



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*Adapted from Credit Card Smarts,  
a series published by the University  
of Illinois Extension (copyright 1997,  
Board of Trustees, University of Illinois).  
<http://web.aces.uiuc.edu/cfe/ccs/index.html>*

*Credit enables millions of consumers to buy millions of dollars worth of goods every day. It gives the consumer the ability to finance real estate and to spread out the cost of “big-ticket” consumer durables. Consumers can get credit precisely because credit grantors can identify which consumers are likely to pay their bills. They do so by obtaining the payment histories of individual consumers from credit-reporting agencies or bureaus. Credit-reporting agencies collect and report personal credit histories and debt repayment practices to their subscribers — mostly businesses and banks. There are three major credit-reporting agencies: Equifax, TransUnion, and Experian. These agencies cover all 50 states, are highly computerized, and have millions of files and millions of subscribers paying a monthly fee for this information. Credit bureaus are smaller versions of credit-reporting agencies, usually operating within a single state or multicounty area.*

#### What a credit report contains

A credit report’s purpose is to help a lender decide whether to grant you credit. The typical credit report contains four types of information.

1. Identifying information: your name (including generation such as Sr., Jr., III), nicknames, current and previous addresses, Social Security number, year of birth, current and previous employers, and, if possible, your spouse’s name.

2. Credit information: the credit accounts you have with banks, retailers, credit card issuers, and other lenders. For each account, your credit report will list the type of loan (revolving credit, student loan, mortgage, etc.), the date you opened the account, your

#### Credit Bureaus

Equifax  
Information Service Center  
P.O. Box 740241  
Atlanta, GA 30374-0241  
1-800-685-1111  
[www.equifax.com](http://www.equifax.com)

TransUnion  
Consumer Disclosure Center  
P.O. Box 1000  
Chester, PA 19022  
1-800-888-4213  
[www.transunion.com](http://www.transunion.com)

Experian  
Consumer Assistance Center  
P.O. Box 2104  
Allen, TX 75013-2104  
1-888-397-3742  
[www.experian.com](http://www.experian.com)

credit limit or loan amount, the account balance, and your payment pattern over the past two years.

3. Public record information: state and county court records related to bankruptcies, tax liens or monetary judgements (i.e., evictions), and child support obligations.

4. Inquiries: the names of all creditors and potential employers who obtained a copy of your credit report for any reason; employer's inquiries are retained for two years, but inquiries from companies that may extend credit to you are only retained for six months.

Credit-reporting agencies do not make the decision to grant credit; only the lender can do that. Different lenders may make different decisions based on the same information. What is different is the importance they give to specific factors — for example, how long you have lived at the same address, what you do for a living, how old you are, how much you earn, how much you owe, and how promptly you pay your debts.

### Review your credit report

Order a copy of your credit report from one of the three main credit bureaus using a form like the one on

this page. Call for the cost — it varies from free to \$10, depending on the company and your situation.

If you have been turned down because of negative credit information within the last 60 days, the report should be free. You can also get a free credit report if you are unemployed, getting public assistance, or a victim of identity theft.

A federal law that took effect in late 2004 entitles consumers to one free report each year from each of the three nationwide credit-reporting agencies. To order your free report, do not contact the companies individually. They are only providing free annual credit reports through one central Web site, toll-free telephone number, and mailing address.

To order, go to <http://www.annualcreditreport.com/>, call 877-322-8228, or complete the Annual Credit Report Request Form and mail it to: Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281. You can also print the request form from <http://www.ftc.gov/credit>.

#### Credit Report Request

Date: \_\_\_\_\_ Please send me a copy of my credit report.

Full name, including Sr., Jr., III (print): \_\_\_\_\_

Social Security number: \_\_\_\_\_

Birth date: \_\_\_\_\_ Spouse's full name, if married: \_\_\_\_\_

Spouse's Social Security number: \_\_\_\_\_ Spouse's birth date: \_\_\_\_\_

Current address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Previous address(es) in the last five years: \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_, \_\_\_\_\_

Check one:

- Payment enclosed
- Because of information obtained from your credit file, I have been denied credit within the past 60 days.
- I am a victim of identity theft, on welfare, or unemployed.

\_\_\_\_\_  
Signature

Enclosed is a photocopy of my driver's license(s) or current utility bill or my military identification for proof of address.

You have the right under federal law to review your credit report upon request and to ask the credit bureau to correct any incomplete or inaccurate information at no charge.

### Keep your credit report in top form

You can keep your credit report in top form by using credit responsibly. Make payments on time and under the terms of your agreements. Always pay at least the minimum amount required. Paying more than the minimum is always a good idea, but you can keep a good credit record as long as you pay at least the minimum and pay it on time. When you move, be sure your creditors are the first to know your new address. Then your bills will arrive on time, making it easier to pay them by the deadline.

If, for any reason, you cannot pay your bills promptly, call your creditors right away to set up a repayment schedule upon which you can both agree. Do not accept credit cards you do not need or will not use. If the total amount of credit available to you is high, you may be turned down for credit you really want, even if your balances are low. The potential for “maxing out” your credit may be too great for the creditor’s comfort.

Any application for a credit card will trigger an inquiry on your credit report. A creditor might turn you down if you have too many inquiries since you could soon have much more available credit than you have now.

Monitor your credit report. At least once every other year, ask all three national credit agencies whether they have a file on you. Not all agencies will have all the same information. Inspect your files periodically and ask that any errors or omissions be corrected. Recheck in 60 days to be sure that they have done so.

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