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| |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | |  |  |  |  |  | | --- | --- | --- | --- | --- | | **Why You Should be Checking Your Credit Reports for Accuracy Every Year**  **Errors on your credit reports can damage your credit score, indicate possible fraud, and hinder your ability to access credit. You owe it to yourself to check your credit reports at least once a year and dispute any errors you find.**  Your credit history can have a decisive impact on your lifestyle. Not only is it the basis of your credit score, it’s also used by employers, landlords, mortgage lenders, credit card companies, and others when making important decisions.  **Understand how credit reports work.** The three major credit bureaus (Experian, Equifax, and TransUnion) compile and distribute credit history reports on anyone who uses credit. Your report includes any payments you make on a loan or credit card, a roster of businesses that have granted you credit, and any critical items that impact your credit score. These items include credit inquiries, late payments, bad debts, collections, foreclosures, and bankruptcies. They can remain on your report for seven years or longer. Your reports also contain information about your current and former names, employers, and addresses.  **You have the right to receive one free copy each year.** Federal law entitles you to a free copy of each of your three major credit reports every 12 months. You can get free copies each year from AnnualCreditReport.com, the only source authorized by federal law. You’re entitled to dispute mistakes and omissions on your reports, which the bureaus and your creditors must investigate and, if necessary, fix.  **Know what to look for.** Look for accounts and transactions you don’t recognize – they are a red flag for possible identity theft. In addition, verify that any derogatory items are correct and fairly stated. You can add your side of the story to your credit reports for any of these items. Check your reported job history and addresses, as well as any name changes, for accuracy. When you apply for a credit account or loan, the creditor does a “hard pull” (requests a copy) of your report. Too many of these can damage your credit, but you can have unauthorized ones removed.  **Know how to dispute errors.** The Fair Credit Reporting Act requires the credit bureaus to keep your credit reports accurate and complete. You can dispute any mistakes by sending formal letters to the credit bureaus along with copies of any evidence. Send a separate registered letter for each disputed item. You should get a reply within 30 days, and you can appeal decisions if not satisfied. While you can manage the dispute process yourself, you might consider hiring a reputable credit repair service to do the job with expertise.  **Managing your credit is important.** Doing so demonstrates a responsible attitude toward your finances. It’s a good first step and should be part of your overall financial planning. Contact me today to review all aspects of your finances, including your use of credit and how it impacts your current and future financial security.   |  |  | | --- | --- | | |  | | --- | | [LET'S CONNECT](mailto:##AdvisorEmail##) | |  |  |  | | --- | --- | |  | Tracking #1-05034063 Expiration 07/23 | | | |