Fast Facts

Credit Repair

Having a plan in place to repair your credit can eliminate unnecessary worry. Here are a few steps to get you started.

1. Obtain your credit report. You are entitled to a free credit report every 12 months from each of the three major credit reporting agencies (Equifax, Experian TransUnion). Request the report online (www.annualcreditreport.com), via phone (877.322.8228), or by printing (www.ftc.gov/credit) and mailing a form to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, Georgia 30348-5281.
You are also entitled to a free report if you were denied credit, insurance or employment because of information on your report (you must request the report within 60 days), are on government assistance or have incorrect information on your report because of fraud.

2. Review each section of your report carefully. Look for accounts you do not recognize, accounts that should no longer be reported and incorrect information.

3. Write a letter to the credit reporting company and provider. Include what information is wrong and why it is wrong. Ask for it to be removed/fixed and send copies of supporting documents. Make 2 copies of your letter, one for yourself and one the information provider.

Make sure you have the correct mailing addresses to send the dispute letters. Many providers and credit reporting companies have special “dispute” addresses. Send your letters certified mail “return receipt requested.”

The credit reporting company must investigate your dispute within 30 days. While the investigation is pending, a “flag” will be placed on the report indicating your dispute.

Note: Credit reporting companies and providers do not have to investigate your claim if they think your request is not genuine. Only dispute the information you have a right to dispute.

4. Review the results. Once the investigation is finished, the credit reporting company must tell you the results. If you were right, the information must be corrected or removed. If the credit reporting company denies your dispute, they must provide you with evidence that the information is correct.

5. Deal with your debt. If your credit report has negative information that is correct and timely, you can still improve your credit file:

- Make a budget and stick to it.
- Contact your creditor if you think you will be unable to pay. Ask the creditor for a new repayment plan. If they agree, get the plan in writing.
- If you need help managing your credit, contact a credit counselor licensed with SCDCA.
- Check your credit report at least every 12 months for accuracy.