

Common myths about credit reporting



- 1. “When paid in full, the bad debt will go away.”**
The bad debt could stay on your credit report for 7 years or longer.
- 2. “The credit reporting agency denied me credit.”**
The credit reporting agency stores information reported by creditors and does not determine credit worthiness.
- 3. “A divorce separates joint accounts.”**
Only the original lender or creditor can change the agreement.
- 4. “Requesting my report harms my credit history.”**
You own the information on your credit report and can request a copy as often as you like.
- 5. “There is only one credit score and it is on every report.”**
The credit score is a snapshot in time and may be different at each credit reporting agency. The “true credit score” is calculated by the lender or creditor after they determine what information to use from the credit report. There is an additional fee to obtain the credit score.
- 6. “All those preapproved offers hurt my credit history.”**
Preapprovals are just a way to encourage you to actively apply for credit and will show on your credit report as a “soft inquiry.” A “hard inquiry” may affect your credit score if you actively apply for too many new credit applications in a short period of time.