

How to Spot Errors on Your Credit Report

Up to 79% of all credit reports contain some kind of errors, and 25% of them contain errors damaging enough that it could result in denial of credit.¹ Since some creditors may report to one bureau but not the others, you should order and review your credit reports from all three credit bureaus. Here's what to look for, according to the National Association of State PIRGs.

Look for the most damaging mistakes

- Loan or credit accounts that are incorrectly labeled "delinquent"
- Loan or credit accounts that are incorrectly identified as being in collections
- Any listed accounts that don't belong to you or that you have no knowledge of, even if the report indicates payments are current
- Bankruptcies, tax liens or other judgments that don't belong to you or are listed as open even though they've been resolved

Check for incorrect personal information

- Misspelling of your name
- A name you don't recognize or that shouldn't be associated with your loan or credit accounts
- Incorrect Social Security number
- Incorrect birth date
- Incorrect address
- Incorrect spousal information

Any of these inaccuracies could be the result of human error or a red flag for identity theft.

Keep an eye out for other account inaccuracies

- Loans listed twice. This often happens when loans are sold and could result in denial of credit based on the erroneous appearance that you're carrying too much debt.
- Accounts you closed but which appear as open. This, too, could make you appear over-extended on credit.
- Missing accounts. Accounts that exist but aren't listed can hurt you by making it appear you lack a solid credit history; at times, creditors intentionally fail to report accounts.
- Inaccurate credit limits. Credit scores can be adversely affected if the available line of credit listed is higher or lower than your actual limit, by suggesting an excessive debt-to-income ratio or a "light" credit history.

¹ *"Mistakes Do Happen: A Look at Errors in Consumer Credit Reports,"* National Association of State Public Interest Research Groups, June 2004