

Your credit report is what credit agencies use to calculate your credit score. The federal government's Consumer Financial Protection Bureau writes that a credit report contains information about your credit history and the status of your credit accounts. This information includes how often you make your payments on time, how much credit you have, how much credit you have available, how much credit you are using, and whether a debt collector is collecting on any debt you owe. Credit reports can also contain public records, such as liens, judgments, and bankruptcies, that provide insight into your financial status and obligations. Lenders use these reports to help them decide if they will loan you money, what interest rates they will offer you, or to check the status of an existing loan. Companies can purchase these consumer credit reports to help inform them while making a wide range of business decisions, such as providing or pricing insurance, renting you an apartment, and, if you agree to let them look at your consumer report, making employment decisions about you.

Credit reports do not include information on checking or savings accounts, bankruptcies more than 10 years old, late payments or collections more than seven years old, criminal records, motor vehicle records, what items you bought by credit card, gender, ethnicity, religion, or political affiliation. Your medical history is not part of your credit report, though late payments and delinquencies on medical bills are. While many companies compile credit reports, there are three national credit reporting companies-- Equifax, Experian, and TransUnion. By law, you're entitled to one free copy of your credit report from each of these three companies every 12 months. You can request all three copies at the same time or request different reports from the different companies separately throughout the year. The free credit report does not include credit scores. However, they do include the information from which your credit scores are calculated. And you want to make sure that that information is correct. To get a copy of your credit report from one of the three national credit reporting companies, go to annualcreditreport.com, or call 1-877-322-8228. There are other websites that offer so-called free credit reports but only if you buy something from them or sign up for a service.

Get your reports at annualcreditreport.com. When you request your credit report from annualcreditreport.com, you'll be asked for your Social Security Number. You may also be asked questions about loans you have had, such as the name of the lender or the monthly payment. The credit reporting companies ask these questions to verify your identity. When you get your credit report, you want to read it through carefully to make sure that it's accurate. The report should list all the loans and credit cards you've had for the last seven years, whether or not you've paid off the loan or closed the credit card. It will show whether your payments were on time. It'll list bankruptcies, liens against your property, whether you've been sued for a debt, or had debts turned over to a collection agency. If your credit report shows any late payments, bankruptcies, liens, lawsuits, or collections, and the report is accurate, and the entry is less than seven years old, there isn't much you can do except improve your credit going forward.

However, if you see an error, you should report it. Sometimes there are errors on credit reports because information about someone else with a similar name ends up on your report. Sometimes someone makes

a simple typing error, or a debt that you've paid will continue to show up as unpaid. Sometimes a creditor or collection agency will report you delinquent on an account for which you have a dispute. If you find a mistake, report it to the credit reporting agency. Your credit report will have instructions for doing so. If a lender or a collection agency has made a mistake reporting wrong information, contact the lender, and ask them to correct the mistake.

But even if the lender agrees, if the mistake is serious or if you're having trouble getting it corrected, be sure to report it to the credit reporting agency. You should request credit reports at least once a year. A good practice would be to request one free report each year at the same time, say at the same time that you do your taxes, and then mark one or two other dates on your calendar for requesting free reports from the other two agencies.

In her book *Making the Most of Your Money Now*, Jane Bryant Quinn lists six special situations when you should check your credit report. One, when you're applying for an important loan, such as a mortgage. Two, when you're separating from your spouse and want his or her new transactions off of your personal credit record. In this case, you should write your creditors such as credit card companies, close joint accounts, and open accounts in your own name. Three months later, get a copy of your credit report, and make sure that it shows your accounts as closed by the consumer, not closed by the creditor. If there's an error, get it corrected. Three, if you've paid off a court judgment against you for money owed, get your report, and make sure that it shows the judgment as paid. Four, if you've had a dispute with a store and refused to pay a bill. You can ask the credit reporting agency to put a 100-word explanation into your credit report. This may help you in situations in which a potential lender reads your credit report. But it's not going to help you much if your report is evaluated by a computer program. If the situation gets resolved and the delinquency is removed from your report, or if it's removed after seven years go by, be sure to remove your written explanation. Five, if you've been turned down for a job, a rental, insurance, or credit because of information in your credit report, the lender, landlord, insurance company, or potential employer is required to tell you the name and the address of the credit bureau it used. You're also entitled to a free report from that bureau within 60 days of being turned down. If you get a rejection letter specifying that you were turned down because of your credit report, the letter will tell you how to request a copy of that report. And six, if you've had a dispute with a lender over whether a bill has been paid and the dispute is resolved, get a copy of your credit report, and make sure that the bill is no longer on your report.

Your credit report is a summary of your credit history and your current credit and debt. Banks and credit card companies will use your credit report to determine whether or not to give you a loan and what interest rate to charge you. Insurance companies, employers, and landlords may also read your credit report. So it's important to periodically request and carefully read your credit report to make sure that it's accurate.