

SMALL FARMS RESEARCH CENTER FACTSHEET

COLLEGE OF AGRICULTURAL, LIFE AND NATURAL SCIENCES



United States Department of Agriculture
Office of Advocacy and Outreach (OAO)

A Step-By-Step Guide to Disputing Credit Report

1 2 3 GO!

The information [in your credit reports](#) is what's used to create your credit scores, so you don't want to let mistakes on your credit reports potentially throw [your credit scores](#) out of whack.

An [FTC study released today](#) shows that one in five consumers have errors on their credit reports and 5% of consumers have errors serious enough that

they could result in less favorable loan terms.

"These are eye-opening numbers for American consumers," said Howard Shelanski, Director of the FTC's Bureau of Economics, in a statement. "The results of this first-of-its-kind study make it clear that consumers should check their credit reports regularly. If they don't, they are potentially putting their pocketbooks at risk."

Here's how to dispute credit report mistakes, step-by-step:

1. Order Current Copies of Your Credit Reports

Make sure you have fairly current copies (ideally, less than 60 days old) of your credit reports from all three major credit reporting agencies (CRAs), Equifax, Experian and TransUnion. Since these agencies don't share information with one another, you can't assume that the same mistakes — or lack of them — appear on all your reports.

2. Dispute the Mistake

Sounds straightforward, right? But you have a couple of choices to make here. The first is whether to dispute the item with the credit reporting agency (or agencies) whose report(s) shows the error, or with the company that is furnishing that information to the CRA (the "furnisher.")

Dispute the mistake with each of the credit reporting agencies that are reporting the inaccurate information if:

- It's something not supplied by a furnisher that you can contact; for example, a wrong address, or incorrect public record information such as a judgment would require you to work with the CRA. The information reported doesn't belong to you. Dispute the mistake with the furnisher if:

- You have documentation that will show the furnisher that they are making a mistake in how they report the information to the credit reporting agencies; for example, copies of correspondence documenting a billing error.

You've already disputed the item with the CRA and it has confirmed the information is "correct" and you want to go to the source.

Note, though, that you *always* must dispute the item with the credit reporting agencies that are reporting it before you can [sue for credit damage](#). For that reason, some consumer law attorneys recommend sending a dispute to the CRAs and filing a copy of that dispute with the furnisher.



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Your second choice is whether to dispute the item online or by mail. Filing online is fast and easy, and you don't have to spring for a stamp, but you'll want to make the extra effort to mail your complaint if:

- It doesn't fall neatly into one of the CRA's dispute categories. If you dispute it online, you'll likely have to choose a reason for the dispute from a menu that gives you a few standard choices. If you need to provide a more detailed explanation, a letter may be your best bet.

You're giving up your rights online. Before you dispute a credit report mistake online, read the website terms and conditions to make sure you aren't agreeing to mandatory binding arbitration, which means you forfeit your right to have your day in court if it is not resolved.

- You have proof of your side of the story. If you have documentation that the information is wrong, you'll want to include it in your written dispute.

This is your second attempt to get it right. If you received a response from the credit reporting agency that says the data is correct, but you know it's not, you may want to follow up with a letter.

Always send written disputes by certified mail, return receipt requested, and keep a copy for your records. You may even want to get your letter notarized if you want the CRA's attention.

3. Wait For a Response

The CRA or furnisher has 30 days to get back to you with a response. If the information is corrected or deleted, skip to step six. If not, go to the next step.

4. Escalate Your Dispute

If you are told the information is correct, but you know it's wrong, you'll need to escalate your dispute. Send a letter to the CRA and/or furnisher stating why you believe the conclusion is wrong, and CC: the Better Business Bureau, your state attorney general and the Consumer Financial Protection Bureau. Send copies of your dispute to those agencies.

5. Talk with a Consumer Law Attorney

If your attempts to fix the problem don't work, then you may want to talk with a consumer law attorney with experience in consumer credit disputes. The website of the [National Association of Consumer Advocates](#) is a good place to start.

6. Keep Records of Your Dispute

Put all your records of your dispute (copies of your credit reports, letters of correspondence, printed copies of emails or online responses, etc.) into a file and put it in a place where you can get to it if the same data appears on your file again.

Get a Free Credit.com Account Sign up for Credit.com and get your FREE Credit Score & Personalized Action Plan to help improve it. Free & updated every 30 days.

7. Monitor Your Credit Reports

At a minimum, you can [order your credit reports for free once a year](#), and use a credit monitoring tool (our [Credit Report Card](#) gives you two free credit scores and is a good way to keep tabs on things). If you monitor your credit reports and scores closely, you'll be alerted quickly to any problems. Credit reporting agencies are not supposed to reinsert items that were deleted as the result of a dispute without notifying you first, but it can happen.

For more Credit 101, <http://www.credit.com>.



Cooperating Units: USDA Office of Advocacy and Outreach (OAO), USDA/NIFA/ Beginning Farmers and Ranchers Development Program (BFRDP), USDA/OAO/Outreach Assistance for Socially Disadvantaged Farmers and Ranchers (OASDFR) Program, Alabama Cooperative Extension Systems, and Alabama A&M University.

