

# Get Your Free Credit Reports Online

In the wake of the massive Equifax data breach, many people are asking how to get free credit reports, so they can check for fraudulent entries. So is it true that you can get THREE credit reports every year for free? YES!

## What's the Deal on Free Credit Reports?

Back in 2003, the Fair and Accurate Credit Transactions Act (FACT Act) was signed into law, which gives every U.S. consumer the right to receive a copy of their credit report free of charge once a year.

A credit report provides you with all of the information in your credit file, which is maintained by consumer reporting companies Equifax, Experian and Trans Union. This is the information that is provided by them in a consumer report requested by a third party, such as a lender, landlord or insurance company. This information includes mortgage, credit card and loan balances, along with your payment history. A credit report also includes a record of everyone who has received a consumer report about you within a certain period of time.

The new reality is that huge data breaches are occurring on a regular basis. Department stores, insurance companies, banks, and even the Equifax credit bureau have been hacked, exposing the personal information of untold millions of consumers to shadowy figures in the online underworld.

So the chances that your name, address, phone number, birth date, social security number, and even credit card information might be compromised are pretty high. Those pieces of information are all that's needed for criminals to open fraudulent accounts in your name. That's why you should look at your credit report at least once a year, to make sure the information contained there is correct. Errors in your credit file could affect your ability to get a credit card.

And that's not the worst of it. If you have items appearing on your credit report that you do not recognize, such as consumer loans and store credit cards, it could indicate that identity theft has taken place.

Credit monitoring services will keep tabs on this for a fee and there are services that offer to supply your credit report for a fee. But really, there's no reason to pay for this information!

**U.S. residents can request a free credit report through [AnnualCreditReport.com](https://www.annualcreditreport.com) online, by phone or by mail. If you request your annual credit report by phone or mail, it will be mailed within 15 days. However, you can receive a report immediately online. Click on this link to find information on how to request a free annual credit report online, by phone or mail.**

There is one other credit reporting agency called Innovis. They do not participate at the AnnualCreditReport.com site, but you can get a free credit report once yearly from Innovis at <https://www.innovis.com/personal/creditReport>.

Here's a practical tip: Consumers are actually entitled to get one free report a year - **- from each of the credit bureaus**. So you can actually get three or 4 reports per year. If you request your credit report from a different credit bureau every 3-4 months, you can monitor them more closely, rather than just once a year.

So don't confuse this with other "free credit report" offers that are advertised on radio, TV or online. They probably are not pulling a scam, but they **DO** want to sell you additional services, such as credit monitoring, or identity theft protection. They won't tell you that you can get those credit reports absolutely free, with no strings attached.

And if you're not careful about reading the fine print, you can learn later that you're on the hook for monthly charges you didn't expect.

### **Credit Report vs. Credit Score**

Don't confuse your credit **REPORT** with your credit **SCORE**. A credit score (sometimes called a FICO score) is simply a number ranging from 375 to 900, which is derived from the many types of information in a credit file. A credit score is used by a lender to help determine whether a person qualifies for a particular credit card, loan, or service.

Most credit scores estimate the risk a company incurs by lending a person money or providing them with a service — specifically, the likelihood that the person will make payments on time in the next two to three years. Generally, the higher the score, the less risk the person represents.

### **Your credit score may be negatively affected if:**

- you've recently paid a bill more than 30 days late

- you've had an account referred to collections
- you have declared bankruptcy
- the amount you owe on an account is close to the credit limit
- you've applied for new credit recently
- you have too many credit card accounts
- you have loans from finance companies (not a bank or mortgage lender)

Only time, and avoiding the things in the list above, will cause your credit score to increase. Some banks and credit card companies will provide your credit score for free, and there are also a few websites where you can get that information as well..