

It's a good idea to review your credit reports for mistakes on a regular basis. In a 2019 study, The Federal Trade Commission found that 80% of participant's credit reports contained detrimental errors or even identity fraud. Errors can occur if you've moved, a company incorrectly reported a payment as late or mixed the information of another person with your own, for example.

If you've already spent the past several months – or even years – trying to correct errors on your credit reports, it may seem hopeless. The Fair Credit Reporting Act requires that the credit reporting agencies conduct a reasonable investigation whenever a consumer disputes information on their credit report. Usually, credit reporting agencies rely on the lenders, debt collectors and other data providers that furnished the misinformation in the first place to investigate a dispute. If the furnisher of the information mistakenly verifies the errors as correct, then those inaccurate marks will often remain stuck in your credit file, no matter how many times you dispute them. Consumers often need to dispute multiple times, spend countless hours trying to fix mistakes, and/or eventually have to get legal counsel to get the problems fixed.

If all else fails, it might be worth consulting with an attorney to take legal action against the credit bureaus if it becomes clear that there is no other way to correct these errors. But don't give up! There are ways you can get the errors corrected without legal action. Below are 10 tips and strategies to help you get ahead of the curve and get your credit on track.

1. Request Report Directly From the Credit Bureaus

Under the Fair Credit Reporting Act, you are entitled to a free copy of each of your reports at least once every 12 months. You may also get a free report if you've been turned down for credit within the last 60 days. Before you do anything else, order a fresh report directly from the credit reporting agencies. Avoid relying on a report you got from a lender as they often use "Merged" reports which will not give you the information you need. You'll need reports directly from the bureaus to send in your next dispute and to keep on hand in case you later need to sue. Ordering your most recent report also helps to make sure that the information you're disputing is up to date, he says.

2. Look for All Errors, Large and Small

Check your credit report for all errors, large and small such as incorrect addresses or a slight misspelling of your name. Small mistakes in your identifying information could cause bad information to get into the reports that lenders pull, which may include more information than what you see on your personal report. Also look at the section of your report that lists who has pulled your credit information. If you see a company that you don't recognize or that you did not apply for credit from, ask the credit bureau why it gave them your information. It could be another sign that our file has been mixed up with someone else's credit or someone has compromised your identity.

3. Mark up the Credit Report

Circle or highlight any error that you see, even if the error seems minor. If there are multiple errors on your report, put a number next to each error. That will help you refer to the errors when you write your dispute. Once you've marked up the report, make multiple copies. You'll need them for your files, as well for your disputes, and possibly for your legal council.

4. Write or type your dispute letter yourself. Don't dispute the error online.

Sending in a dispute online may be quick but it's one of the biggest mistakes that consumers often make. Many online dispute forms contain arbitration clauses, which can undercut your consumer rights. That means if you dispute the error online, you won't be able to take the credit bureau to court if the credit bureau repeatedly verifies the mistake and continues publishing it on your report. Instead, you'll have to settle for an arbitration hearing that's decided by a single arbitrator, rather than a jury, and you may have a harder time proving your case. Arbitration hearings are widely regarded by consumer advocates to be less-consumer friendly than traditional court trials.

Type up, then mail your dispute instead. That way, you won't have to worry about being forced into mandatory arbitration if you need to challenge the credit bureau's investigation.

5. Separate Disputes into Multiple Letters.

If you have more than one error on your report, you have a better chance of clearing them if you don't try to dispute all the errors together. Instead, write a dispute letter for each error and mail them separately.

You'll also want to write separate letters to each credit bureau that's reporting the mistakes. The credit bureaus aren't obligated to notify each other of the dispute until at least one of them has confirmed the error is inaccurate.

6. Keep it Simple.

The most effective dispute letters are simple and easy to read. Don't try to cite legal arguments or a "legalistic" writing style. Write a brief, to the point, simple dispute letter that politely explains in plain language what the error is and why the information does not belong to you. Be sure to state exactly what and why you are disputing the error.

7. Include Evidence.

Attach whatever evidence you can find to back up your dispute. Include every bit of documentation and every bit of detail that is available to you. That way, the credit bureau can't say that you didn't give them enough information.

Don't forget to make copies of all your correspondence, including every piece of evidence that you mail. Credit bureaus often "lose" or claim to have "not received" consumer correspondence so you may need copies of what you send in case you end up in court.

8. Mail Your Dispute to The Data Furnisher

Data furnishers are required by law to fully investigate any dispute that's brought to their attention. If they don't, they could face substantial regulatory action from the Consumer Financial Protection Bureau.

If you know which lender, collection agency or other type of data furnisher (the ones giving out your information) is misreporting your credit history, send them the same information that you sent the credit bureaus. Use certified mail if you can or a service that confirms that your correspondence was delivered.

9. Keep all Records & Stay organized

Obtain and keep very careful records of everything. You never know if/when you will need this documentation:

- Who you talk to if you call, when, what is said
- Written communications
- Credit reports
- Denials for credit
- Letters you've sent
- Who/What/When you have sent documentation

It also helps to keep a separate file for each bureau as well so you don't lose track of what you sent to which agency. "The Devil is in the details."

10. Don't accept no for an answer.

You can also submit a complaint with the Consumer Financial Protection Bureau, which will forward your complaint to the credit bureau and ask for a response.

Stay patient! Don't listen to online forums that say there is no hope. If you keep pushing for it, you'll eventually get the errors off your reports. If you've disputed an error several times and it continues to be verified by the credit bureaus, consult a lawyer experienced in Fair Credit Reporting Act cases for further guidance.