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Ken King column: What affects a credit score? Let us count the ways

I have been getting a lot of questions about things that can affect a credit score. Here are answers to a few of the common questions.

n Does checking my credit report hurt my credit score? If you check your credit report for personal use, it will NOT affect your credit score. Your score may be affected if you apply for credit and a credit granter pulls your credit report for the purpose of extending you credit.

n Does how much I make affect my score? Income doesn't have anything to do with your credit score. Your score is based on how well you have handled credit in the past and not income.

n Do all creditors or lenders use the same credit score? No, creditors or lenders use different credit scoring models and different reporting agencies. Therefore, your scores may be different depending on the source.

n Why should I check my credit report if I pay my bills on time? It's important to check your credit report regularly no matter how well you pay your bills to make sure the information on your report is accurate. If inaccurate negative information is reported, your credit score may suffer.

n Why do accounts I have paid off still show on my credit report? All credit data (negative or positive) can stay on your report for up to seven years, bankruptcies for up to 10 years from the date of filing. It is important to understand when you pay off a past due account, your credit report will be updated to reflect that you're current on the account. As time goes on, the negative account activity will have less of an effect on your credit score.

n Can how you manage your checking, savings and investment accounts, affect your credit score? What you do with your checking, savings and investments is your business. This information is not typically reported on your credit report, and therefore doesn't impact your credit score.

n Will paying cash help a good credit score? Never using credit can actually hurt your credit score. Creditors and lenders often consider people with no debt and no credit cards a higher risk than those who have credit cards and have proven that they're able to manage their debt responsibly.

n Can unpaid library fines, speeding or parking tickets affect your credit score? Generally, libraries, municipalities and law enforcement agencies don't report to credit reporting agencies. However, if you don't pay your debts or fines and they get turned over to a collection agency, they may show up on your credit report and impact your credit score.

n Do debit and pre-paid credit cards help build credit? No, debit cards and pre-paid credit cards are usually not reported to credit reporting agencies, and really are not an extension of credit. Therefore, they don't show up on a credit report and are not used in calculating a credit score.

Remember the purpose of a credit report is to record how reliably you've managed your credit.