

Does Credit Repair Really Work?

In a [recent article](#), I discussed the impact that bankruptcy might have on a debtor's credit score. However, even the slightest bit of negative information can lower your FICO score significantly. In one case, my client saw their credit score drop by more than 100 points to due a \$100 small claims judgment that she had already paid.

Regardless of whether you retain the services of an attorney, credit repair organization or do it yourself, you have the right to dispute inaccurate information in your credit report. However, you will not be able to remove any information that is accurate, current and verifiable.

Most negative information must be removed after 7 years and bankruptcy information can remain on your credit report for up to 10 years. You can obtain a free copy of your credit report at <http://www.annualcreditreport.com/>. Although creditors must use reasonable procedures to maintain an accurate credit report, mistakes are very common. Once the credit bureau has been notified of a dispute, it must reinvestigate and modify or remove inaccurate or incomplete information. The credit bureau may not charge a fee for this service.

Any pertinent information and copies of all documents you have concerning an error should be given to the credit bureau. If the credit bureau's reinvestigation does not resolve the dispute to your satisfaction, you may send a brief statement to the credit bureau to be kept in your file, explaining why you think the record is inaccurate. The credit bureau must include a summary of your statement about disputed information with any report it issues about you, although some commentators have suggested that this may actually do more harm to your credit.

Companies that offer to help you improve your credit score are governed by The Credit Repair Organizations Act. A credit repair organization cannot remove bankruptcies, judgments, liens, and bad loans from your credit file nor can they legally create a new identity or credit profile for you.

If you have had problems with inaccurate information your credit report, please [contact us](#) for further assistance.

About the Author: [Carl H. Starrett II](#) has been a licensed attorney since 1993 and is a member in good standing with the California State Bar and the San Diego County Bar Association. Mr. Starrett practices in the areas of [bankruptcy](#), [business litigation](#), [construction](#), [corporate planning](#) and [debt collection](#).