



Disputing Collection Accounts On Your Credit Report

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Pull your credit report and find a debt that you've never heard of? What do you do to make sure the world knows about your confusion? Under the [Fair Debt Collection Practices Act](#):

A debt collector may not use any false, deceptive, or misleading representation or means in connection with the collection of any debt. Without limiting the general application of the foregoing, the following conduct is a violation of this section . . . (8) Communicating or threatening to communicate to any person credit information which is known or which should be known to be false, including the failure to communicate that a disputed debt is disputed.

What does this mean?

If you "dispute" a debt, the debt collector (collection agency or debt buyer) must show the account on the credit report as being "disputed" - normally this is shown as "consumer disputes this account".

Though most courts have held that an oral dispute is good enough to trigger this requirement, it's wise to send a certified letter (keeping a signed copy) stating you dispute the debt. Send it to the collection agency or the debt buyer.

Some courts have held that the debt collector has no requirement to tell the credit reporting agency that the account is disputed unless the debt collector updates the account.

As our friends at the [Alabama Consumer Law Blog](#) say:

If you have disputed the account and then the collection

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agency or junk debt buyer updates the account a couple of months later - without saying "disputed by consumer" - then this may very well be a strong FDCPA and state law violation.

So here's your tip: if you dispute a debt properly, and then the debt collector continues to report the debt as due and outstanding without noting the dispute, you need to talk to a lawyer to discuss your rights.

Here's a terrific seminar paper given by John Watts and M. Stan Herring, two [Alabama consumer lawyers](#), on the subject.

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