The Complete Credit Repair & Credit Reporting Glossary

A plain-language A-Z reference. Educational material, not legal or financial advice.

A

Account Age
How long a credit account has existed; scoring models may consider the age of accounts.

Account in Collections
A debt that a collector is seeking to recover after missed payments or transfer from the original creditor.

Account Review Inquiry
A credit inquiry made by a lender reviewing an existing account; commonly treated as a soft inquiry.

Accrued Interest
Interest that has accumulated on a debt but may not yet have been billed or paid.

Adverse Action
A creditor or other covered business decision against an applicant, such as declining credit, that may trigger notice requirements.

Adverse Action Notice
A required explanation or notice when certain credit-related adverse actions occur.

Annual Percentage Rate (APR)
A standardized yearly measure of borrowing cost, including certain finance charges.

Annual Fee
A yearly charge associated with maintaining some credit accounts.

Authorized User
A person permitted to use another person’s credit account without necessarily being legally responsible for repayment.

Available Credit
The difference between an account’s credit limit and current balance.

B

Balance
The amount currently owed on a credit account.

Balance Transfer
Moving a balance from one credit account to another, often subject to fees or promotional rates.

Bankruptcy
A federal legal proceeding involving debts and financial obligations; its credit-reporting impact depends on the bankruptcy and timing.

Billing Cycle
The period between statements for a credit account.

C

Charge-Off
An accounting classification for a delinquent debt; the debt may still be owed or collected.

Closed Account
A credit account that is no longer open for new transactions, which may still appear on reports.

Collection Agency
A business that collects debts for creditors or debt purchasers.

Collections Account
An entry reflecting a debt in collection; reporting rules and scoring treatment vary.

Consumer Credit File
Information held by a consumer reporting agency about an individual’s credit history.

Consumer Financial Protection Bureau (CFPB)
A U.S. federal agency responsible for consumer financial protection and related oversight.

Consumer Reporting Agency (CRA)
A company that collects and provides consumer reports for legally permitted purposes.

Co-Signer
Someone who agrees to be responsible for debt if the primary borrower does not pay.

Credit Bureau
A common name for a consumer reporting agency, such as Equifax, Experian or TransUnion.

Credit Builder Loan
A loan product designed to help establish payment history, typically with restricted access to proceeds during repayment.

Credit Counseling
Guidance on budgeting, debt management and other personal finance subjects; different from credit repair.

Credit Freeze
A security measure that restricts access to a credit report for many new-account inquiries until lifted.

Credit History
A record of borrowing and repayment behavior reflected in credit records.

Credit Inquiry
A request to access a credit file; inquiries may be hard or soft depending on purpose.

Credit Limit
The maximum revolving amount a lender permits a borrower to use.

Credit Monitoring
A service that notifies consumers about changes or activity in their credit files.

Credit Mix
The range of credit account types appearing in a person’s file.

Credit Repair
Services that may assist consumers with understanding credit files and disputing inaccurate or unverifiable information.

Credit Repair Organizations Act (CROA)
A federal law governing covered credit repair organizations, including advertising, disclosures, contracts and payment restrictions.

Credit Report
A record of credit activity, accounts, repayment history, and other reportable information maintained by a consumer reporting agency.

Credit Score
A numerical estimate of credit risk derived from information in a credit report using a particular scoring model.

Credit Scoring Model
The formula or methodology used to calculate credit scores from report information.

Credit Utilization
The percentage of available revolving credit currently being used; often calculated as balance divided by limit.

Creditor
A person or business owed money or extending credit.

D

Debt Collector
A business or person collecting money allegedly owed to a creditor or debt purchaser.

Debt Validation
Information a debt collector may be required to provide about an alleged debt under applicable law.

Debt-to-Income Ratio (DTI)
Monthly debt obligations compared with gross monthly income; commonly used in lending decisions.

Default
Failure to comply with a credit agreement, often through nonpayment.

Delinquency
A missed or late payment relative to an account’s due date.

Derogatory Mark
A negative credit-file item, such as certain late payments, collections or charge-offs.

Dispute
A consumer’s challenge to information they believe is inaccurate or incomplete in a credit report.

Dispute Investigation
The review process a reporting company or furnisher performs after receiving a qualifying dispute.

Dispute Letter
Written communication identifying a credit-report item and explaining why it is believed to be inaccurate.

E

Equifax
One of the three nationwide consumer reporting agencies in the United States.

Experian
One of the three nationwide consumer reporting agencies in the United States.

F

Fair Credit Billing Act (FCBA)
A federal law addressing certain billing errors and related rights on covered open-end credit accounts.

Fair Credit Reporting Act (FCRA)
Federal law regulating consumer-reporting accuracy, access, disclosure, disputes, and related rights.

Fair Debt Collection Practices Act (FDCPA)
Federal law limiting abusive and deceptive conduct by covered debt collectors.

FICO Score
A brand of credit scoring models developed by FICO; lenders may use different versions.

Finance Charge
A charge representing the cost of credit, including interest and certain fees.

Foreclosure
A legal process through which a lender may seek to recover property securing an unpaid mortgage.

Fraud Alert
A notice on a credit file telling prospective creditors to take extra identity-verification steps.

Furnisher
A company that provides account or payment information to consumer reporting agencies.

G

Grace Period
A defined period during which certain payments can avoid late fees or interest, depending on contract terms.

H

Hard Inquiry
A credit-report request commonly associated with an application for new credit and potentially considered by some scoring models.

I

Identity Theft
Use of another person’s identifying information without authorization, potentially affecting credit records.

Identity Theft Report
An official report used to document identity theft and support related protections.

Installment Loan
A loan repaid in scheduled payments, commonly over a fixed term.

Interest Rate
A percentage used to calculate the cost of borrowing or earnings on a balance.

J

Judgment
A court decision that may establish a legal obligation; whether it appears on a credit report depends on current reporting practice.

L

Late Payment
A payment received after its due date; reporting thresholds may differ from fee thresholds.

Lender
A business or individual that provides credit or loans.

Loan Term
The specified duration of a loan agreement.

M

Minimum Payment
The smallest required payment for a billing cycle under an account agreement.

Mortgage
A loan typically secured by real property.

N

Negative Information
Information reflecting financial difficulty, nonpayment, or other potentially adverse credit history.

O

Original Creditor
The lender or business that originally extended credit before a possible transfer or sale of debt.

Outstanding Balance
The amount remaining unpaid on a credit obligation.

P

Payment History
A record of whether credit obligations were paid on time; an important component of many scores.

Permissible Purpose
A legally authorized reason to obtain or use a consumer report under the FCRA.

Personal Information
Identifying details in a credit file, such as a name, address, or other identifiers.

Preapproval
An offer or preliminary indication of possible eligibility, not necessarily a final credit approval.

Prequalification
An early assessment of possible eligibility, which may use limited information and is not a commitment to lend.

Public Record
Certain government or court information; availability on credit reports varies by record type and current bureau policy.

R

Reaging
Changing a debt's reported dates; inaccurate reaging that improperly extends reporting periods can be unlawful.

Reinvestigation
A renewed review of disputed information under applicable credit-reporting rules.

Reporting Period
The legally permitted time that particular information may remain on a credit report, subject to exceptions.

Repossession
A lender's taking back of collateral after contractual default, subject to applicable law.

Revolving Credit
Credit with a reusable limit, such as many credit card accounts.

Risk-Based Pricing Notice
A notice that may be required when certain credit terms are less favorable based on information in a consumer report.

S

Secured Credit Card
A credit card generally backed by a security deposit, often used to build or rebuild credit history.

Security Freeze
Another term for a credit freeze limiting access to a consumer credit report for many new-credit purposes.

Settlement
An agreement to resolve a debt, sometimes for less than the full claimed balance.

Soft Inquiry
A credit-file access that generally does not affect a consumer's credit score.

Statement Balance
An account balance listed at the close of a billing cycle.

Statute of Limitations
The time allowed to bring certain legal claims; it differs by state and debt type and is separate from credit-reporting periods.

Student Loan
A loan used to finance eligible education expenses, with repayment terms depending on program and lender.

Subprime
A broad market term for borrowers or credit products associated with comparatively higher credit risk.

T

Thin Credit File
A credit history with relatively few accounts or limited data available to score.

Tradeline
A single account entry appearing on a consumer credit report.

TransUnion
One of the three nationwide consumer reporting agencies in the United States.

U

Unverifiable Information
Credit-report information that cannot be verified through the required investigation and may need correction or removal under applicable law.

Utilization Ratio
The share of available revolving credit currently in use, expressed as a percentage.

V

VantageScore
A family of credit scoring models developed by VantageScore Solutions.

Verification of Debt
Information and procedures connected with a consumer's request for validation of an alleged debt from a covered collector.

W

Written Contract
A document spelling out terms and obligations; covered credit repair services are subject to specific written-contract requirements under CROA.

Z

Zero Balance
An account with no amount currently owed; a zero balance does not necessarily mean an account is closed.

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