Consumers are rightfully concerned about their credit score, but you should not respond to debt collector pressures by paying overdue low priority debts ahead of high priority ones just because of these concerns. An overdue bill may damage your credit score but very often the damage has already happened by the time a debt collector is threatening you.

For credit card debt and other debt payable on a monthly basis, the creditor will report the status of the debt to credit bureaus every month. The biggest impact on your credit score will be when the debt is reported as 30 or 60 days overdue. Once that happens, your score will not take that much more of a hit if you are 90, 120, or 150 days overdue.

When your account is referred to a collection agency, and the collection agency reports the debt to a credit bureau, your credit score will take another big hit. Continued non-payment after that will not change your score nearly as much. By the time you are being contacted by a debt collector, it is too late to do much about your credit score—rushing to pay the debt won’t really help your score.

As a result, worry about your credit score should not be a reason to pay a late bill. Responding to the collector’s pressure may not help your credit score, but it will put at risk payments on higher priority debts, whose non-payment will have far more serious consequences. Also, if you pay off a debt that was already reported by a collector, the collection item will show in your report as “paid,” but your credit report will still show that the debt was in collection. If you want that information removed, you must get the collector’s written agreement to delete it and not all collectors will agree to do so.

Typically, hospitals, doctors, and other medical providers will not report your debt to a credit reporting agency. It is only if and when a medical debt is turned over to a collection agency that many—but not all—collection agencies will report the overdue debt to a credit bureau. In addition, the three major credit bureaus have agreed not to include any report on medical debt if that debt has been outstanding for less than six months. Reporting of a medical debt over six months will hurt your credit score. But after that first report, continued non-payment to the collection agency will not affect your score much.

Most utilities will not report your delinquencies to a credit bureau until they say the bill is uncollectible. Until then there may be no adverse impact on your credit score to be late in paying gas, electric, landline telephone, or water bills.

Landlords are unlikely to report overdue rent to a credit bureau, but particularly larger landlords are likely to report problems with tenants to special tenant screening companies that landlords use to evaluate applicants. Thus your rent payments are less likely to affect your credit score than your ability to find another apartment.

In a significant development, the Big Three credit bureaus are not reporting the vast majority of public records, such as collection lawsuits, court judgments against you, and tax liens. Of course, the creditor or collector seeking payment may already have reported the overdue debt to the credit bureau, even if a public record about that debt (for example, judgment or lien) is not reported by the credit bureau.

Most negative information stays on your credit report for seven years, and then the credit bureau must remove it from your report. Bankruptcies stay on your report for ten years from the date of filing.

Source: National Consumer Law Center, Surviving Debt [50th NCLC Anniversary Edition], updated at www.nclc.org/library
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