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Struggling With Your Student Loans? - When Your Credit Has Been Bad For Too Long

If you are burdened by your [student loan](#) and are considering [student loan consolidation](#) services or refinancing your student loans, then this article is a must read.

In this economic climate, people need a realistic way to repair their damaged credit. Whether your debt is little or big, this article will give you some sound advice.

A great way to begin is to investigate where your credit currently stands and to carefully read through your credit report. This information is available from a number of online sites. Some of them even offer their initial services free! You can learn how to fix your credit once you have this information.

Do not avoid your creditors; open a line of communication with them and ask about payment options, repayment plans, and even a postponement of a bill's due date. After you have identified accounts that must be settled immediately, you will have an easier time prioritizing payments. You need to know how much you are being charged in penalties and interest. By focusing on paying off your high-interest accounts, you can save a great deal of money.

Write down every negative item on your credit report. This list will prove invaluable later. Often times, there will be mistakes on the report, and you need to know when this is the case. When you do find errors, investigate them, find proof on why they are incorrect, and then contact the company to get the error fixed.

To make dealing with debt collectors less stressful, it is important to research the laws in your state regarding collection agencies, and the tactics they can use. In most states, it is illegal to threaten people over the phone or otherwise verbally abuse them. They can't put you in jail for not paying up, either! Knowing your rights when dealing with creditors will reduce your stress.

The balance you carry on your credit cards should be lower than 30 percent of your limit. Not only will this assist you in building a good credit rating, it will also ensure that you are always in a position to make the payments easily. Once you are over the 30 percent threshold, it can have a negative impact on your credit report.

It's better to speak with collection agencies and try to create a reasonable repayment plan instead of trying to ignore them. If you make the effort to discuss your personal situation and explain that you are making a sincere effort to pay the bill, they may be able to restructure the payment or create an individualized agreement with you to reduce the payment or the balance of the debt. Being proactive and talking to your creditors about your debt can help prevent them from adding additional fees to your accounts.

Using these tips can help improve your credit. Use the advice offered here to start to repair your credit.