

4 Red Flags that Indicate Your Identity Has Been Stolen

Having your identity stolen is a scary time, but knowing the signs of a stolen identity will help you prepare for if it ever happens to you. Banks and credit card companies are prepared to assist you immediately. When you realize your identity has been stolen, the first step you should take is to file a police report, and with that report handy, notify all credit bureaus and banks that handle your finances, so that they can put a freeze on your credit and any current lines that you have open that truly do belong to you.

1. Change in credit score

A lot of credit card companies will give you free credit score monitoring. Using this tool, you can sign in and make sure there were no dramatic changes in your score over the past month. If this is not available, you can go to each credit bureau's website and download a free credit report once a year. Make sure to keep an eye on your score for any dramatic changes. This report will list all of your open accounts.

2. You're not approved for a line of credit

If you're not always keeping an eye on your credit report, another indication that your identity may have been stolen is if you are declined for a new line of credit, such as a car loan, home loan, or credit card. They may deny you for too many lines of credit, hitting your limit too often, or simply having too much credit open. Though keep in mind, if you do get denied, it will most likely be because of a bad credit score, meaning you have a lot of open or revolving debt, or are not paying balances on time. This is most easily avoided by keeping an eye on your credit report and doing regular scans of your credit and debit card activity.

3. You receive a collection notice for unknown debt

If you randomly have some debt collectors calling you about debt that you did not know you have, it could be because someone opened a line of credit in your name. Whether it is a letter, a phone call, or another form of communication, your next step is to freeze your credit, and let the debt collector know that it is not your debt. A police report will also be needed.

4. You notice unknown charges on a credit or debit card

If you see charges on any billing statements that are not yours, it could indicate that someone has gotten your credit card information, which can happen in a variety of ways. Most banks and credit card companies are prepared for this, and will immediately send you a new card and investigate the charges.

Be vigilant of your credit to make sure your identity has not been stolen. If something looks wrong, do not hesitate to freeze your accounts and file a report. The sooner a stolen identity is reported, the faster it can be corrected.