

Credit Basics for Married Couples

Look ahead, especially as you plan your wedding with your partner who will share a financial picture with you. Maintaining good credit is crucial for future plans that can include loans of any kind.

By understanding what marriage means to your credit before getting married, you can help yourselves become credit-wise together.

Credit Reports aren't combined when you get married. After you are married, your individual accounts remain your own. Credit bureaus maintain separate files on each individual, so credit histories will not be merged after marriage. Only jointly held accounts or accounts for which one spouse is an authorized user will appear on both credit reports.

When you apply for credit jointly, both of your reports will be reviewed individually during the application process. This can work to a couple's advantage in certain instances where one person's credit is better than the other's.

Marriage will not lower your credit scores. Huge credit card debt may harm your credit scores, but the act of getting married will not. Nothing automatically changes on your credit reports when you get married.

Changing your last name doesn't erase credit history. Changing your name after you are married does not mean starting from scratch with a new credit history. There may be a few inaccuracies on your report as this transition takes place, however, so check your credit report frequently after reporting your name change.

Your spouse's poor credit won't hurt your credit scores. Luckily, your spouse's past credit history has no impact on your credit picture. Only when you open a joint account will any information be shared on both of your credit reports. However, when buying a home together or applying for other large loans, your spouse's negative credit history could impact your loan rates.

Managing your credit reports

Getting the opportunity to check out your credit reports before applying for a credit card is ideal. That way you can dispute any inaccurate account information. Many financial experts recommend credit monitoring services, which allow you to check your credit reports on a regularly and can notify you of changes in your credit files.

When you obtain your reports, make sure that all of the information listed on them is correct. Check your names (and spellings), previous and current addresses, Social Security numbers, and other account details. Address inaccurate information by following the dispute instructions that are included with your reports.

This is also a good time to share good credit history with your spouse, too. If you have a credit card, for instance, that is in excellent standing and your future spouse could benefit from this good credit, consider making him or her a joint account holder. This may help both of you when you applying for a loan or credit together in the future.

Being credit savvy and establishing good communications around financial issues before tying the knot is a good credit management practice that will help your financial future.