

**Title:**

Will Debt Relief Affect My Credit Rating? If So, How?

**Word Count:**

525

**Summary:**

Debt relief will affect an individual's credit rating. It is important to note that the more debt an individual has, the lower their credit score is likely to be. While debt relief can negatively affect an individual's credit rating in the short-term, it is important to note that a person's credit rating would almost always be much lower by holding on to their debt than by using the resources available within debt relief programs.

**Keywords:**

debt management, debt

**Article Body:**

Debt relief will affect an individual's credit rating. It is important to note that the more debt an individual has, the lower their credit score is likely to be. While debt relief can negatively affect an individual's credit rating in the short-term, it is important to note that a person's credit rating would almost always be much lower by holding on to their debt than by using the resources available within debt relief programs.

By learning exactly how debt relief can affect a person's credit rating, individuals can decide whether or not they think debt relief would be beneficial for them to investigate, and therefore to potentially utilize for their personal financial needs.

Debt relief is, in general, very subjective. As a result, it is very difficult to come up with individual numbers and specific cases that can be reviewed. However, by speaking with a debt relief representative, it is possible for individuals to know exactly how such a program would affect their lives. The conclusion will also depend on what a person's credit score is at the time that they enter into their chosen debt relief program. Almost any financial assistance will affect a person's credit score. Some of these assistance programs include Consumer Credit Counseling, declaring bankruptcy or taking part in debt reduction programs and services that are available. Most debt relief programs will be able to offer interested parties a free consultation in order to offer more information about how debt relief will affect them as individuals.

In time, it is likely that your credit score will improve, and this is primarily because debt relief will make your bills and debt more manageable. Not only can your payments be lowered with debt relief, but so too will your interest rates. With lowered bill payments, it is easier for most individuals to pay their bills on time. Thirty-five percent of a person's credit score is related to whether or not that person pays their debts on time. When your bills are more manageable, you are more likely to pay them on time. This can improve your credit score the thirty-fiver percent that your score that is based on history.

Debt relief is pointless if you are not going to be able to meet the one main goal of debt relief, namely to manage debt by making it more affordable for you as an individual. Whether you are able to increase the amount of months that you have to pay off a bill or decrease the amount of interest that you are being required to pay on your debt owed, your main priority is still to make your debt more manageable. If you cannot get a grip on your finances as a result of debt relief you will just end up in the same situation that you presently find yourself in. If you choose to increase the number of months over which you will pay off your debt, it is important to remember that you will be paying more in the long run thanks to interest. Nonetheless, you need to weigh this against whether or not your current bill payment is affordable and manageable.