Blog

Can Divorce Affect my Credit Score?

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You may not be thinking about your credit score during the process of a divorce, but if you ignore it completely, you could find yourself with a poor credit rating, according to a recent article.

While divorce on its own certainly won't ruin your credit, credit scores can, in fact, drop during the divorce process, for several reasons. The main reason is joint accounts in both of your names. Since creditors don't recognize divorce decrees, the accounts stay on both of your credit reports. If your ex, however innocently, fails to make a payment (for example, a car payment), it will affect your personal credit rating. There are other factors at play, as well.

"Women in particular may be disproportionately affected by financial difficulties during a divorce," noted the article, citing the fact that women tend to earn less than their male counterparts. An Experian survey cited said that "54 percent of divorced women say their credit score declined during their marriage…[and] 50 percent of the women surveyed also said their ex ruined their credit."

There are ways to protect your credit during a divorce, according to the article. This includes:

- Closing any joint credit cards and accounts
- Removing your ex as an authorized user on accounts in your name
- Getting rid of joint mortgages or loans by refinancing or selling
- Freezing your credit reports to prohibit anyone – specifically, a disgruntled ex – from opening fraudulent accounts in your name

While divorce can take its toll on your credit rating, the good news is that, if your credit rating does drop, you can rebuild it over time.

If you need advice on divorce in Bucks County (or any other area of family law), call us at 215-340-2207, or email info@bucksfamilylawyers.com.