



Tip Sheet: Building Credit without a Social Security Number

Can an individual build credit without a social security number (SSN)?

YES. While credit bureaus use personal information such as social security numbers (SSNs), birth dates, addresses, and full names to compile credit reports for individuals, a SSN is only one of the unique identifiers necessary to match credit account information to an individual's credit file. Having a SSN may increase the accuracy of the credit bureaus' matching process, but it is not always essential.

Consistency, however, is paramount to the credit bureaus' process of properly identifying consumers. It is recommended that individuals use the same spelling of their full names each time they apply for credit, for example, as well as that they notify creditors any time they change addresses. This not only ensures that identities are effectively verified; it also ensures that lenders and other businesses are correctly reporting payments that can help build their credit. For borrowers without a SSN, keeping the data reported to the bureaus consistent is even more important to ensure they get the credit they deserve.

Can an Individual Taxpayer Identification Number (ITIN) be used in the place of SSNs to help individuals build credit?

No. ITINs can be used to meet eligibility requirements for certain credit products that are reported to credit bureaus – which if paid on time will help individuals build credit. However, creditors who report payments to credit bureaus should review the Credit Data Industry Association's Credit Reporting Resource Guide (CRRG) recommendations, which state that ITINs do not prove identity outside the tax system and should not be offered or accepted as identification for non-tax purposes – like credit reporting -- per the Social Security Administration. Instead, when reporting to the credit bureaus, creditors should leave the SSN field blank or fill it with zeros. **Furthermore, unlike a SSN, the credit bureaus do not use ITINs as a unique personal identifier in their records to match consumer information in their databases.**

The Internal Revenue Service issues individual taxpayer numbers, or ITINs, to foreign-national workers that do not qualify for social security numbers (SSNs) but have federal tax or other filing requirements. Other individuals that require ITINs include dependents or spouses of U.S. foreign national visa holders. In addition to allowing this group to declare taxes, ITINs help workers open accounts to save and safely keep their money in banks, unlike prepaid cards and international institutions lacking FDIC protection.



Bottom Line? More and more financial institutions and other lenders accept an ITIN in lieu of a social security numbers when issuing an installment loan or revolving credit account, which, when reported to the major credit bureaus, can help an individual without a SSN build credit. However, ITINs should not be used by lenders and other businesses in place of a SSN when reporting or requesting credit reports for consumers.

Can someone who didn't have a SSN previously and now has a valid one associate it with past credit history?

YES. A valid SSN should automatically become associated with a consumer's credit file once any current or new creditor or business begins reporting that SSN as part of that consumer's credit payment history. Additionally, it may be helpful for individuals to proactively work with the credit bureaus to associate their existing credit history with their new SSN. Below is a sample form letter, developed by Catholic Charities of Oregon, to help individuals request that the credit bureaus tie their new SSN to their existing history.

RE: Request to transfer credit history to new SSN

Dear Sir or Madam,

I am writing to inform you of my newly assigned Social Security Number (SSN), which the Social Security Administration assigned to me on _____.

Please transfer any existing credit history associated with me to my new SSN and have all future credit actions reported under this number. My information is as follows:

 Name:
 DOB:
 New SSN:
 Current Address since [insert date]:
 Previous Address(es): [include addresses for at least the last 3 years]

I have enclosed:

- 1) Copy of my Social Security Card and
- 2) A current [within the last 30 days] utility bill [or other official document like a bank or insurance statement] with my name and current address and/or
- 3) A copy of my current state identification card or driver's license with my current address [if available]

If you have any questions, I may be reached at () _____ - _____.

Thank you,

Signature/Name: _____ Date: _____

What if an individual has used someone else's SSN to obtain credit in the past but now has a valid one of his/her own? He or she should contact a lawyer.

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Best Practices for...

...Consumers	...Lenders/Businesses
Use your full name in a consistent manner (same spelling) each time you apply for credit with a lender or an alternative type of credit (like utilities or cell phones) with a lender/business	Request that consumers provide their full names on applications for credit and explain to them the importance of consistency in their other credit transactions
Update new addresses and telephone numbers with lenders/businesses	Create a system for requesting updated contact information from consumers
Do not provide lenders/businesses with your ITIN in lieu of a SSN for the purpose of credit reporting or pulling a credit report on your behalf.	Review Credit Reporting Resource Guide (CRRG) Recommendations – Lenders/businesses that report payments to credit bureaus should review CRRG recommendations, which state that ITINs do not prove identity outside the tax system and should not be offered or accepted as identification for non-tax purposes, per the Social Security Administration.
Inform lenders/businesses if you acquire a valid Social Security Number	ITINs are 9 digit numbers, just like SSNs, but differ in that they begin with the number “9”. This may help lenders/creditors quickly and easily identify ITINs that may have been provided by consumers in lieu of SSNs.
When providing your birthdate, use the U.S. format: MM/DD/YEAR	If the consumer does not have a valid SSN, leave the SSN field blank or fill it with zeros in your credit management system.

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