



What is credit fraud (Experian)

Should You Be Worried About Credit Card Fraud and Identity Theft?

According to credit fraud statistics, credit fraud and identity theft are a small part of overall credit card spending in the United States. Losses due to default far exceed those caused by fraud. However, if credit fraud or identity theft happens to you, it can be overwhelming. Victims may be protected financially, but they are forced to experience major inconvenience. Ultimately, we all pay for credit card fraud in terms of higher prices, higher interest rates and extra inconvenience.

Types of Credit Fraud

Credit fraud is a broad term for the use of a credit card (or any comparable type of credit) to buy goods or services with the intention of evading payment. Credit fraud includes:

- Identity theft:** the unauthorized use of personal identification information to commit credit fraud or other crimes
- Identity assumption:** long-term victimization of identification information
- Fraud spree:** unauthorized charges on existing accounts

Read the answers to frequently asked questions about preventing fraud.

- [Frequently Asked Questions About Credit Fraud](#)

Sources of Credit Fraud

Just as there are various types of credit fraud, there also are different ways that credit thieves gather your personal information:

- Using lost or stolen credit cards
- Stealing from your mailbox
- Looking over your shoulder during transactions

- Going through your trash
- Sending unsolicited email
- Making false telephone solicitations
- Looking at personnel records

Discovering Fraud

There are several warning signs that credit fraud may be occurring:

- Your credit report contains inquiries or information about accounts that you did not open
- Strange charges show up on billing statements
- Bills arrive from unknown or unfamiliar sources
- You receive calls from creditors or collection agencies

More Resources for Responding to Different Types of Fraud

Driver's license number fraud — Notify your state's Department of Motor Vehicles

Social Security number used to commit identity theft — Contact the Federal Trade Commission at 1 877 438 4338

Passport used in identity theft — Contact the U.S. State Department, Passport Services Department

Mail fraud — Visit the U.S. Postal Service® Website, Government Services