BUILDING BUSINESS CREDIT

How business credit scores work, and the steps to build them from zero so lenders and suppliers say yes.

TYPE: GUIDE REVIEWED: NOVEMBER 2026 TIME: 8 MINUTES LEVEL: BEGINNER

AT A GLANCE

- Your business can have its own credit history, separate from your personal credit. Lenders, suppliers and landlords check it.
- The main US business credit bureaus are **Dun & Bradstreet, Experian Business and Equifax Business**.
- You build it by setting the business up properly, opening accounts that **report your payments**, and **paying on time or early**.

Why it matters

Strong business credit can help you get loans, better supplier terms and higher card limits, sometimes without putting your personal credit on the line. It takes time to build, so start early, well before you need to borrow.

KEY POINT

For young businesses, lenders usually look at **both** your business credit and your **personal credit**. Many small business loans also ask the owner to personally guarantee the debt. Keep your personal credit healthy too.

How it works

Business credit bureaus collect information about your business: who you owe, how much, and whether you pay on time. They turn it into scores. For example, Dun & Bradstreet's **PAYDEX** score runs from 1 to 100, and a score of 80 generally means you pay on time.

Unlike personal credit, many business accounts **don't report automatically**. You need to choose accounts that do.

Step by step

1. **Form your business** as an LLC or corporation, with a consistent legal name and address everywhere. See **B-02 Registering Your Business, Step by Step**.

2. **Get an EIN** and use it instead of your Social Security number for business accounts. See **B-03 Getting a Tax ID Number (EIN and ITIN)**.
3. **Get a business phone number and address**, listed the same way everywhere.
4. **Open a business bank account.** See **B-04 Opening a Business Bank Account**.
5. **Get a D-U-N-S number** from Dun & Bradstreet. It's free.
6. **Open 3 to 5 supplier accounts that report**, often called "net-30" accounts, which give you 30 days to pay. Buy things you actually need, and pay early.
7. **Get a business credit card** and pay the full balance each month.
8. **Check your business credit reports** every few months and fix errors.

> EXAMPLE
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> Joseph's auto-repair shop had no business credit. He got a D-U-N-S number, opened net-30 accounts with an auto parts supplier and an office supply company that report to the bureaus, and paid each bill 10 days early. He added a business credit card for fuel and paid it off monthly. After about a year of on-time payments, he qualified for an equipment loan.

Common mistakes

- **Inconsistent business information.** Different names or addresses across accounts can split your credit file.
- **Using accounts that don't report.** Ask suppliers whether they report to business credit bureaus.
- **Paying late, even a few days.** Business scores reward paying on time or early.
- **Paying for "instant business credit" programs.** Be careful of anyone selling shortcuts or tradelines. See **R-23 Red Flags and Funding Scams to Avoid**.
- **Ignoring personal credit.** It still matters for most small business loans.

Your checklist

- ☐ Make sure your business name and address match everywhere
- ☐ Get an EIN and a free D-U-N-S number
- ☐ Open 3 net-30 supplier accounts that report
- ☐ Get a business credit card and pay it in full monthly
- ☐ Check your business and personal credit reports

Key words, explained

Word	What it means
Business credit report	A record of how your business pays its bills.
D-U-N-S number	A free ID number from Dun & Bradstreet for your business.
PAYDEX	Dun & Bradstreet's payment score, from 1 to 100.
Net-30	Terms that give you 30 days to pay an invoice.
Personal guarantee	A promise to repay a business debt personally if the business can't.

Where to go next

- **R-06 Small Business Loans and SBA Loans**
- **R-07 Equipment Financing and Lines of Credit**
- **S-05 Starting a Business as an Immigrant**

IMPORTANT
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