3 Big Differences between Personal Credit Scores and Business Credit Scores

There are many differences between personal and business credit scores. One fundamental difference between consumer and business scores is the time frame the scores gauge someone's risk of default over.

A business credit score is a mathematical model that is used to depict a business's risk of going **90** days late on an account within the next **12** months.

A consumer credit score is a mathematical model that is used to depict a consumer's risk of going 90 days late on an account within the next **24** months.

Another big difference between consumer and business credit scores is what the score actually represents.

A consumer credit score reflects an individual's likelihood of defaulting on an obligation.
A business credit score reflects the business's likelihood of defaulting on an obligation, not the business owner's.

The business credit score is based on how the business obligations are being paid, not how the business owners pays their personal obligations. Another major difference between business and consumer credit scores is the score range.

Consumer FICO scores range from 350-850 with 850 being the best score you can obtain. Business credit scores typically range from 0-100 with 100 being the best score you can obtain. There are three of many major differences between consumer and business credit scoring.

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