

## ***Tax-related identity theft***

### **Protect yourself and your tax return**

Say the words "identity theft," and many people envision a criminal getting ahold of their Social Security number (SSN) and wreaking havoc with their credit. Indeed, this type of identity theft is a serious problem. But another form that's grown over the past few years is identity theft involving an individual's tax records.

#### **Why you should care**

Identity theft can intersect with individuals' tax records in several ways. Under what the IRS calls "refund fraud," a thief steals a legitimate taxpayer's name and SSN and uses them to file a fraudulent return, claiming he or she is owed a refund. Most thieves try to file early enough in the year that the actual taxpayer hasn't yet filed his or her return. What's more, the IRS may actually issue the refund to the fraudster, because the name and SSN on the return appear legitimate.

Alternatively, in a phishing scheme you might receive an e-mail, phone call or letter purportedly from the IRS that asks you to provide your SSN or other personal information. If you provide it, the thief may use that information to take out credit in your name, put it to some other nefarious purpose or sell it to others with ill intentions.

#### **Protect your identity**

While nothing can guarantee complete immunity from identity theft, you can take a few steps to reduce its likelihood. For starters, do all you can to protect your SSN. Provide your SSN and other personal information only when absolutely necessary — and only when you've verified the identity of the party you're giving it to.

Keep in mind that the legitimate IRS website is [irs.gov](http://irs.gov). The IRS doesn't use e-mail or social media to request personal information — such as your SSN or bank account information — or to provide a refund or initiate an audit. Instead, the IRS most often contacts taxpayers through the U.S. Postal Service, although, when notifying a taxpayer of an audit, it may call first and then follow up with a letter. If you receive an e-mail claiming to be from the IRS and asking for personal information, don't reply, open any attachments or click on any links.

If you receive a phone call or letter claiming to be from the IRS, don't give out any information before contacting the IRS (a number of contact options are available at <http://www.irs.gov/contact>) to determine whether the communication is legitimate. With a phone call, you also can ask for an employee badge number. Once you've confirmed the legitimacy of the call or letter, you can take whatever steps are appropriate.

If you think you're at risk of identity theft — perhaps your wallet or purse was lost or stolen, or you were a victim of identity theft outside the tax system — report it on the Federal Trade Commission's [identitytheft.gov](http://identitytheft.gov) website. You should also contact your financial institutions and the major credit bureaus, as well as potentially file a report with your local police department.

#### **Tips for victims**

If you receive an IRS notice stating that another return has been filed with your information or that you received wages from an employer other than your actual one, it's possible that your identity has

been stolen. In such cases, call the IRS Identity Protection Specialized Unit at 1-800-908-4490 to check the legitimacy of the letter and follow up, as appropriate.

And, if you receive a notice from the IRS stating that you've been a victim of identity theft, follow all the instructions included in the letter. Typically, this will require completing the Identity Theft Affidavit.

### **Take identity theft seriously**

For years, the IRS and credit card companies have cautioned taxpayers and consumers about identity theft and fraud. Their multitude of warnings may have actually numbed people to the possibility of it ever happening to them. But don't be lulled into complacency. Keep your eyes open and follow up with the IRS if you feel you've been victimized. For more information on identity theft and taxes, check out the Taxpayer Guide to Identity Theft at <https://www.irs.gov/uac/Taxpayer-Guide-to-Identity-Theft>.

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