

Along with Tax Season Come the Scams; Don't Be a Victim

Article Highlights:

- Tax Season Brings Scams
- Key ID Elements
- How the IRS Operates
- Email Scams & Phishing
- Phone Scams
- ID Thieves

One thing we can count on when tax season begins is the scammers coming out from under their rocks with schemes to try and trick you so they can steal your ID and file returns under your Social Security number (SSN). Or, they may even email or call you pretending to be IRS or state tax agents and attempt to intimidate you into sending them money to pay fabricated tax liabilities. These crooks take advantage of individuals' natural fear of the IRS and use it to coerce their marks into making payments without first verifying the validity of the liability.

Don't be a victim of these unscrupulous predators. The only way to protect yourself is to understand their tricks and what to do (actually, what not to do). This article includes a variety of plots that have been employed in the past. But, keep in mind these lowlifes can be very clever, intimidating, and aggressive, and come up with new schemes all the time, so you need to be vigilant.

ID thieves prize three things: your name, Social Security number, and birth date. You should always be very careful about divulging your birth date and SSN. Don't use them unless absolutely necessary, and always question the requester's need to know.

You should also be aware that the IRS never initiates contact in any way other than by U.S. Mail. So, if you receive a phone call from out of the blue demanding payment, you can be assured it is a scam. Simply hang up the phone without providing any information. If you receive an email from the IRS, do not click on embedded links or attachments. That could cause malware to be installed on your computer, allowing scammers to access your computer. The first thing you should do is call this office.

Additionally, it is important for taxpayers to know that the IRS:

- 1 Never asks for credit card, debit card, or prepaid card information over the telephone.
- 2 Never insists that taxpayers use a specific payment method to pay tax obligations.
- 3 Never requests immediate payment over the telephone.
- 4 Will not take enforcement action immediately following a phone conversation. Taxpayers usually receive prior written notification of IRS enforcement actions involving IRS tax liens or levies.

Email Scams & Phishing – Every tax season, the scammers become very active. They create bogus emails disguised as authentic emails from the IRS, your bank, or your credit card company, none of which ever request information that way. They are trying to trick you into divulging personal and financial information that they can use to invade your bank accounts, make charges against your credit card, or pretend to be you to file phony tax returns or apply for loans or credit cards. Always be skeptical! If the email is related to taxes, call this office before doing anything. If it is

supposedly from your credit card company, your bank, or another financial institution, call the organization to verify the authenticity of the email.

One scam last year was an email sent to taxpayers requesting that they click on a link in the email to verify their identity before their tax refund could be released. The link took them to the ID thief's website, made to look like the IRS's, where victims entered their names, SSNs, and birthdates. Others used the same scheme, pretending to be an individual's bank or credit card company.

Phone Scams – Very aggressive scammers will call, claiming to be an IRS agent, and tell the person answering the call that they owe money that must be paid immediately or their home will be seized, their wages will be attached, or even that they will be arrested. After threatening the victim with jail time or driver's license revocation, the scammer hangs up. Soon, someone else calls back pretending to be from the local police or DMV, and the (rigged) caller ID supports their claim.

These are frequently thieves from outside the U.S., and once the money is transferred, there is no chance of getting it back.

In 2016, the police in Mumbai, India, busted a phone center that was calling U.S. taxpayers with just such a scheme and bilking U.S. taxpayers to the tune of \$150,000 a day. They demanded payment by credit card, debit card, or gift card.

ID Thieves – These rip-off artists file phony tax returns using stolen IDs and counterfeit W-2s and have the refunds directly deposited into their bank accounts, which they then clean out before the victim or the IRS discovers what happened. If the IRS rejects your return because a SSN on your return was previously used to file, that is a good indication your ID has been stolen, and you should contact this office for instructions on notifying the IRS. Once your ID has been compromised, the IRS will issue a special six-digit Identity Protection number that can be used in conjunction with your SSN to file your return.

If your ID has been compromised, or you suspect it might have been, contact this office immediately so we can assist you in notifying the IRS, so that they block returns filed with your SSN but without the special six-digit filing number.

We also urge you to educate others in your family who could be scammed.

If you have questions, please give this office a call.