

Tax Identity Theft a Growing Problem in the United States

Equifax shares tips on how to help protect yourself during tax season

ATLANTA, Feb. 19, 2013 /PRNewswire/ -- When you think of crime, a warehouse full of people on computers might not be your first thought. But this is becoming more commonplace as criminals see the ease and financial gain in tax identity theft—that is, falsifying tax returns to get someone else's refund check. Equifax is sharing tips for consumers on how to avoid becoming a victim of this growing problem.

(Logo: <https://photos.prnewswire.com/prnh/20060224/CLF037LOGO>)

The Internal Revenue Service has seen a tremendous increase in the number of fraudulent returns filed. As of September 2012, the IRS had identified 641,690 tax-related identity theft incidents from the first nine months of the year. This compares to 242,142 total incidents in 2011 and 47,730 total incidents in 2008.

All it takes for a thief to file a fake tax return is a stolen Social Security number and a fake address. Victims realize their refunds have been stolen after the IRS denies them their rightful check.

However, you can take steps to lessen your risk of becoming a victim to tax identity theft. Tips to help protect yourself include:

- Keep your personal information safe. Keep documents like your Social Security card, Medicare card and birth certificate in a secure place. Only carry these documents with you when absolutely necessary.
- File your tax return as soon as possible to beat a potential scammer to the punch. If you file with the IRS first, the thief will be denied when trying to use your Social Security number for a fake return.
- If filing by mail, take your tax return directly to the post office. Do not leave it in your mailbox where it can easily be stolen.
- Be especially aware of those who prepare your tax report. Only seek tax preparation services from reputable businesses. Check with the Better Business Bureau.
- If you wouldn't normally file a tax return because, for example, you are a full-time student with no income, be wary of anyone offering to prepare your taxes so you can receive a refund or "free money."
- Never sign a blank form that someone else will complete for you.
- Don't fall for a spam scam. The IRS never initiates contact through email to ask for personal information.
- Check your credit report regularly. If your personal information has been compromised for tax fraud, it's possible that identity thieves will commit other types of identity fraud with this information, such as opening credit card accounts in your name. Consumers

can request a free credit report from each of the three credit reporting agencies each year at www.annualcreditreport.com.

"The best defense against identity theft of any kind is to be vigilant in the protection of your personal information," said Trey Loughran, president of the Personal Solutions unit at Equifax. "It can take many months for a victim of tax identity theft to finally get his or her rightfully owed refund check."

If the IRS denies your tax return because you've been a victim of identity theft, there are steps you can take to get your rightful return. First, file a report with the police. Next, file a report with the IRS Identity Protection Specialized Unit by calling 1-800-908-4490, and sign an identity theft affidavit.

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Equifax is a global leader in consumer, commercial and workforce information solutions, providing businesses of all sizes and consumers with information they can trust. We organize and assimilate data on more than 500 million consumers and 81 million businesses worldwide, and use advanced analytics and proprietary technology to create and deliver customized insights that enrich both the performance of businesses and the lives of consumers.

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