

## *The consequences of ID Theft On Your Taxes*

Identity theft occurs when someone uses your personal information such as your name, Social Security number, or other personal information, without your permission, to commit fraud or other crimes. You lose, they win.

Identity theft is a serious crime. People whose identities have been stolen can spend months or even years, spending a large amount of money to clean up their good name and credit record after thieves have taken advantage of them. Victims may lose job opportunities, be refused loans, education, housing, or even get arrested for crimes they did not commit.

Generally carelessness with one's personal data will allow identity thieves to steal financial records and run up charges on the victim's existing credit cards: however, you also need to be aware of some other potential situation where this type of fraud may directly affect your tax records.

Undocumented workers or some other individuals may use your Social Security Number to get a job.

That person's employer would report W-2 wages earned using your documentation to the IRS so it might appear that you did not report all of you income in your return.

**An Identity thief may file a tax return using your Social Security Number to receive a refund.**

If the thief files the tax return before you do, the IRS will believe that you already filed and received your refund, and the return you just submitted is a second copy or duplicate.

**If you receive a notice from the IRS that leads you to believe someone may have used your Social Security Number fraudulently, please notify the IRS immediately by responding to the name and number printed on the notice or letter.**

Be alert to possible identity theft if the notice or letter states that:

1. More than one tax return for you was file, or
2. IRS record indicate your received wages from an employer unknown to you.

IRS

800-829-1040



## ***Identity Theft & Your Taxes***



### **Low Income Taxpayer Clinic**

**1725 Oakhurst Ave  
Suite C  
Jacksonville, FL 32208**

**Phone: (904) 394-7450  
Fax: (904) 394-7459  
Toll Free: 866-256-8091**

## How Do I Prevent ID Theft

Though you cannot prevent identity theft entirely, you can minimize your risk by:

### 1. Protecting your Social Security Number.

- Memorize your Social Security Number (SSN). Do not carry it- leave it in a secure place.
- Only give your SSN when absolutely necessary. Your employer and financial institution may need your SSN for wage and tax reporting purposes. Do not give a business your SSN just because they ask for it, find out why they need it.
- Ask why your SSN is needed and if other types of identifications can be used. For example, if your state uses your SSN as your driver's license number, ask to substitute another number.



### 2. Make sure that your employer is protecting your SSN

- Ask your employer what steps they are taking to protect your SSN at work from theft.
- Note that the IRS does not request personal taxpayer information through email. If you receive this type of request, it may be an attempt from identity thieves to get your tax information.

### 3. Be careful when choosing a tax preparer.

If you do not prepare your own return, be careful in choosing your tax preparer as careful as you would be in choosing a doctor or lawyer. Remember that the tax preparer you select will have access to your personal financial records. Ask your friends and coworkers to recommend a preparer they know and trust.

### What should you do if someone has used your identity for past tax purposes?

Contact a tax attorney or, if you qualify, a Low Income Taxpayer Clinic (LITC). If your identity was used to file a **W-2** or obtain a refund, take the following steps so that the IRS can help with your situation.

- File a police report and submit a copy to your creditors, the IRS, and others that may require proof of the crime.
- Obtain the periodic wage statements issued by your employer, as well as other documents that confirm your identity as the true tax filer such as proof of residence, homeownership, and bank statements for the year in question.
- If you have received a notice from the IRS that leads you to believe your identity was used somewhere else by a worker, note the address of the alleged employer; try to contact that alleged employer so that they can provide written proof that they have never employed you.
- File a complaint with the Federal Trade Commission (FTC). The FTC maintains a database of identity theft cases used by law enforcement agencies for investigations. The FTC is the lead government agency for information about identity theft.

