

# Identity Theft

## What is Identity Theft?

According to the FTC, approximately 9 million American have their identity stolen each year. Identity theft occurs when someone uses your personal information without your permission to commit fraud or other crimes for the purpose of:

- Obtaining credit or credit card
- Stealing money form existing accounts
- Gaining employment
- Filing bankruptcy, and
- Leasing automobiles

## How Does Identity Theft Occur?

Identity theft can occur in a number of ways, either through digging through your trash, recording your credit card numbers, obtaining your personal information through false pretenses, changing your address to receive items at a separate location, and stealing wallets, purses or driver licenses. Legal authorities call such crimes Dumpster Diving, Skimming and Pfishing.

### Dumpster Diving

By leaving your un-shredded bank statements, credit card statements, medical bills, pre-approved credit card solicitations, and other personal documents in your kitchen garbage can attract thieves and lead to a financial tragedy. Any one of those documents can be sitting in your outside garbage bins waiting for someone to come steal your garbage and piece together your mail.

### Skimming

Be careful of who you provide your credit card information. Criminally-minded retailers exist and can easily run your card in a special copying machine during the course of legitimately running your transactions.

### Pfishing

Pfishing—This word looks funny but sounds familiar. Every day thousands of people receive emails from senders claiming to be financial institutions requesting you to click on a link to verify information. These links are actually fictitious sites created by thieves who send spam or pop-up messages to gain your personal information. **NEVER** log onto your financial sites from an email link. You should always type your bank's address separately and log on apart from email.

### Changing Your Address

Changing your address—this is self- explanatory. Thieves change your address to have future personal documents sent directly to them by completing a change of address form.

### Just Plain Stealing

The age old grab and run! Don't let this conventional means of stealing your identity fool you. Carrying little cash with you should not negate your concerns for losing your wallet. Credit cards, social security cards, health care needs and any other non-threatening document can give a thief exactly what they need to steal from you.

## **What They Do With Your Information**

Thieves may open credit card accounts in your name, fail to pay bills and hurt your credit. By changing your billing address, you may never know that *your* account is being charged. Utilities, wireless, cable and heating accounts can be opened using your information. Thieves can also create fake checks using your name, write illegitimate checks or duplicate your ATM card. Some thieves may even take out loans in your name. Fake IDs can also be made using his or her picture with your information. Vehicles and houses are not to be discounted, they too can be rented in your name, and jobs can be obtained using your social security number.

## **FTC Complaints**

According to the Federal Trade Commission, there were over 200,000 complaints of identity theft in 2003, almost 250,000 a year later and over 255,000 in 2005. Credit card theft has the largest percentage of complaints.

## **Top Florida Cities for Fraud**

Of all the complainants of victims 2005, 26 percent were between 18 and 29 years of age. Miami followed by Orlando and Tampa had the highest number of complaints, respectively.

## **Specific Laws Addressing Identity Theft**

A criminal can receive up to 10 years imprisonment depending on amount of money stolen. There are both civil and criminal federal laws addressing identity theft. One of which includes the:

- Identity Theft and Assumption Deterrence Act of 1998 which carries up to 30 years and fines, depending on amounts and the person's criminal background.
- Other civil laws include credit laws used to protect consumers; Fair Credit Reporting Act, the Fair Credit Billing Act and many others.

## **Prevention Tips**

There are some ways you can protect yourself from identity theft. When it comes to personal finance matters, order and review copies of our financial report from Equifax, Experian and TransUnion every year. Also,

- Empty your wallet of extra credit cards and identity
- Shred all financial documents you plan to discard
- Only release personal data to agencies who require it to initiate certain actions
- Your department of motor vehicles can issue drivers licenses without your social security number
- Ensure your pin numbers cannot be viewed by others when entering it into an ATM
- Shred all financial receipts and never leave them at the retail location
- Do not keep passwords or your social security number in your wallet
- Remove mail promptly from your mailbox
- Deposit outgoing mail in locked post collection boxes
- Use caution when supplying your financial information over the Internet

## **What if you become a victim?**

However, all is not lost if you do become a victim.

- Call your credit reporting agencies: Experian, Equifax and TransUnion.
- Close accounts and alert fraud departments of each company where and account was opened or changed without your permission.
- File a police report with your local authorities, state attorney general and the Federal Trade Commission.

## **Examples of Cases**

In the southern district of Florida, a woman was indicted and pleaded guilty to federal charges involving her obtaining fraudulent driver's license in the name of the victim, using the license to withdraw more than \$13,000 from the victims bank account, and obtaining five department store credit cards in the victims name and charging approximately \$4,000 on those cards.

In the middle district of Florida, a defendant has been indicted on bank fraud charges for obtaining names, addresses and social security numbers from a web site and using those data to apply for a series of car loans over the Internet.

## **For More Information**

Contact the FTC's Identity Theft Clearinghouse at 1-877-I-D-T-H-E-F-T.