

An independent member of BKR International

HOW TO AVOID BEING THE VICTIM OF TAX THEFT By: DAN VELCHECK, CPA



- Use a tax professional you trust to prepare your return. Ideally, your tax preparer should be a certified public accountant, tax attorney or enrolled agent.
- File as quickly as possible
- File your return electronically
- Don't carry your social security card
- Check your credit report
- Avoid tax preparation services that promise a big refund

So you did everything right and you still become the victim of tax theft. What next? The IRS recommends the following:

If you are a victim of identity theft, the Federal Trade Commission recommends these steps:

- File a complaint with the FTC at identitytheft.gov.
- Contact one of the three major credit bureaus to place a 'fraud alert' on your credit records:
 - o Equifax, www.Equifax.com, 1-800-766-0008
 - Experian, www.Experian.com, 1-888-397-3742
 - o TransUnion, www.TransUnion.com, 1-800-680-7289
- Contact your financial institutions, and close any financial or credit accounts opened without your permission or tampered with by identity thieves.

If your SSN is compromised and you know or suspect you are a victim of tax-related identity theft, the IRS recommends these additional steps:

- Respond immediately to any IRS notice; call the number provided or, if instructed, go to IDVerify.irs.gov.
- Complete IRS <u>Form 14039</u>, Identity Theft Affidavit, if your efiled return rejects because of a
 duplicate filing under your SSN or you are instructed to do so. Use a fillable form at IRS.gov,
 print, then attach the form to your return and mail according to instructions.
- Continue to pay your taxes and file your tax return, even if you must do so by paper.