

Watch Out For Tax Scammers

Sadly, identity theft happens throughout the year – but some identity thieves are particularly active during tax-filing season. How can you protect yourself?

One of the most important moves you can make is to be suspicious of requests by people or entities claiming to be from the Internal Revenue Service. You may receive phone calls, texts and emails, but these types of communication are often just “phishing” scams with one goal in mind: to capture your personal information. These phishers can be quite clever, sending emails that appear to contain the IRS logo or making calls that may even seem to be coming from the IRS. Don’t open any links or attachments to the emails and don’t answer the calls – and don’t be alarmed if the caller leaves a vaguely threatening voicemail, either asking for personal information, such as your Social Security number, or informing you of some debts you supposedly owe to the IRS that must be taken care of “immediately.”

In reality, the IRS will not initiate contact with you by phone, email, text message or social media to request personal or financial information, or to inquire about issues pertaining to your tax returns. Instead, the agency will first send you a letter. And if you’re unsure of the legitimacy of such a letter, contact the IRS directly at 800-829-1040.

Of course, not all scam artists are fake IRS representatives – some will pass themselves off as tax preparers. Fortunately, most tax preparers are honest, but it’s not too hard to find the dishonest ones who might ask you to sign a blank return, promise you a big refund before looking at your records or try to charge a fee based on the percentage of your return. Legitimate tax preparers will make no grand

promises and will explain their fees upfront. Before hiring someone to do your taxes, find out their qualifications. The IRS provides some valuable tips for choosing a reputable tax preparer, but you can also ask your friends and relatives for referrals.

Another tax scam to watch out for is the fraudulent tax return – that is, someone filing a return in your name. To do so, a scammer would need your name, birthdate and Social Security number. If you’re already providing two of these pieces of information – your name and birthdate on social media, and you also include your birthplace – you could be making it easier for scam artists to somehow get the third. It’s a good idea to check your privacy settings and limit what you’re sharing publicly. You might also want to use a nickname and omit your last name, birthday and birthplace.

Here’s one more defensive measure: File your taxes as soon as you can. Identity thieves often strike early in the tax season, so they can file their bogus returns before their victims.

To learn more about tax scams, visit the IRS website ([irs.gov](https://www.irs.gov)) and search for the “Taxpayer Guide to Identity Theft.” This document describes some signs of identity theft and provides tips for what to do if you are victimized.

It’s unfortunate that identity theft exists, but by taking the proper precautions, you can help insulate yourself from this threat, even when tax season is over.

This article was written by Edward Jones for use by your local Edward Jones Financial Advisor.

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