

How To AVOID 2020 TAX SCAMS



NEW CORONA VIRUS SCAMS

The World Health Organization (WHO) and the Centers for Disease Control and Prevention (CDC) both have recently issued warnings about phishing scams using their logos and names. Scammers are attempting to profit from the spread of this illness by infecting others with online viruses. The crooks don't stop there, some offer secret "cures", investment opportunities, or simply phish for personal information.

If you receive an email or text claiming to have news about coronavirus, do not open it! For timely and accurate updates visit [Delaware's Division of Public Health \(DPH\)](#) or the CDC's own website, [cdc.gov](#). Beware of impostor emails and texts.

— **Solomon Adote**, Chief Security Officer

STRANGE BAIT-AND-SWITCH TAX SCAM

When criminals steal your sensitive personal information, such as social security numbers and tax forms, they can easily file a fraudulent return on your behalf. Crooks typically report a low income with high deductions and they file the claim electronically. When the person whose SSN was stolen legitimately attempts to file their real return, the IRS rejects it as a duplicate because the crook already filed. Once the funds are deposited to your bank account, the scammers, impersonating someone from the IRS or a collection agent, will contact you to demand the return of the ill-gotten money—either by depositing into an account or sending it to an address. You could be out twice the amount if you fall for this scam: first when you are swindled into giving the IRS funds to the criminal; and second, because you have to repay the IRS!

Protect yourself with this easy solution: **get your own Identity Protection PIN from the IRS before you file your taxes**. The IP PIN is a six-digit number that must be used on a tax return, in addition to a Social Security number, to verify the identity of a taxpayer. Once you opt into the program you must continue to use it and will be supplied with a new number each year. Think of it as two-factor authentication for your tax filings!

TOP TAX SCAMS OF 2020

Phishing is the most common of all 2020 tax scams. It occurs when someone uses communication channels (e.g., emails, text messages, social media messages, and websites) to retrieve information from a target. Criminals even impersonate IRS workers in their attempt to steal personal information. Phishing surges during tax season. How can you stay safe? **Remember: the IRS ONLY contacts taxpayers about a tax refund or bill via U.S. Postal Service mail.** If you receive an electronic (email or text or phone) message "from the IRS", do not click and do not respond.



Phone Scams are conducted by criminals attempting to impersonate IRS agents. If you answer their call, they'll demand payments or personal information, sometimes threatening victims with arrest by U.S. Marshall, sheriff or police, deportation, license revocation, and more. **Remember: the IRS will never demand immediate payment over the phone.** If you owe money to the IRS, you will receive notification by U.S. postal mail.

Identity theft happens when criminals attempt to claim other taxpayers' refunds by filing fraudulent tax returns using someone else's social security number or individual taxpayer identification numbers (ITIN). Protect yourself from identity theft by using up-to-date security software, antivirus and firewall protections. Keep your computer's operating system updated to the latest version. Also, use strong passwords, and encrypt sensitive files on your computer.

Return preparer fraud is another example. Unfortunately, some tax preparation professionals are dishonest. Instead of (or in addition to) helping you to prepare your taxes, they squirrel away your personal information and steal your identity. If you're hiring a tax preparer, make sure to read unbiased reviews from past customers and check with your Better Business Bureau and local jurisdiction to make sure that their practice is a legitimately licensed business that is on the up-and-up.

For more information on how to protect yourself from tax scams and fraud visit the [Official IRS site](#).

Questions, comments or topic suggestions? Email us at eSecurity@delaware.gov

