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4 Ways to Avoid becoming a Victim of Tax Identity Theft

In tax season you should constantly be wary of tax identity theft. This problem has become such a major concern that the Senate has urged the IRS to be more vigilant in curtailing it.

Here are some important tips to help you avoid becoming a victim of tax identity theft.

1. Never respond to emails purportedly from the IRS

The IRS will never email you for any reason. Some scammers send emails that seem to be from the IRS saying that there is a problem with your refund and asking you to submit your personal and banking details. Even if there is a legitimate problem with your refund, the IRS would not contact you via email.

2. Engage genuine tax preparers

One method fraudsters use is posing as tax preparers and offering their services to you for free. These services may be advertised on Internet listing services or telephone poles.

To ensure the legitimacy of tax preparers, you can ask them for their affiliation with their professional organization. Professional organizations like the state board of accountants for CPAs, bar association for attorneys and the IRS Office of Professional Responsibility for enrolled agents would have continual education programs to ensure their members are kept up-to-date with tax developments and hold to the highest standards of ethics

in discharging their duties.

Legitimate tax preparers would never claim to be able to get a higher refund than you are entitled to. They would also ask to see all your receipts and sign the tax return they prepare for you.

3. Secure your tax return

If you are filing your return electronically, make sure you have a secure Internet connection with a strong password, up-to-date firewall and antivirus or antispyware software in place. If you engage a tax preparer, ask what security they have to keep your tax return safe. If you prepare your return yourself, it would be worth the trouble in going to the post office and handing in your return to the post office clerk rather than putting it into your mailbox for collection as outgoing mail.

4. Know how to spot signs that you have become a victim

If you receive a notice from the IRS saying you earned more than you stated in your return, someone may have used your Social Security number to obtain a job.

If you claim deduction for your child as dependent and it is rejected, it could be because someone has used your child's Social Security number to increase his or her own deduction.

If your tax submission is rejected because of double submission, it is highly possible that someone else has used your Social Security number and name to submit a fraudulent return.

If you suspect you have become a victim of tax identity theft, contact the IRS through the IRS Identity Protection Specialized Unit at (800) 908-4490.