



MICHIGAN ATTORNEY GENERAL

CONSUMER ALERT

TAX-RELATED ID THEFT

When someone uses your Social Security number (SSN) to file a phony tax return and claim your refund, that's tax-related identity theft. When someone uses your SSN to earn wages — which are then reported as your income — that's employment-related tax identity theft. The Internal Revenue Service (IRS) is often the first to let you know your identity has been stolen when you:

- get a letter from the IRS about a suspicious tax return that you did not file;
- can't electronically file your tax return because a return has already been filed using your SSN;
- get a tax transcript in the mail that you did not request;
- get an IRS notice that an online account has been created in your name;
- get an IRS notice that your online account has been accessed or disabled when you took no action;
- get an IRS notice that you owe additional tax or refund offset, or a collection action has been taken against you for a year you did not file a tax return; or
- get an IRS notice that IRS records show you received wages or other income from an employer for whom you did not work.

In other cases, you may first learn of the fraud from some other unexpected source, like when you are turned down for a loan because a fake return was filed reporting an income less than what you actually earn.

REMEMBER THIS: IRS notices about tax-related identity theft are only sent by mail — not by email, text or social media messages that ask for your personal or financial information.

WHEN SOMEONE USES YOUR SSN TO FILE A TAX RETURN BEFORE YOU DO

If someone uses your SSN to claim a tax refund before you do, IRS records will show that someone else has already filed and received a refund before you filed your return. If you filed by mail, the IRS will respond by mail to let you know that more than one refund was filed for you. If you tried to file electronically, the IRS will reject your tax return as a duplicate filing.

WHEN SOMEONE USES YOUR SSN TO EARN WAGES

If someone uses your SSN to get a job and earn wages, the employer may report the fraudster's income to the IRS using your SSN. When you file your tax return, those earnings will not be included, and IRS records will show you failed to report all of your income.

WINDOW TO SUBMIT FAKE TAX RETURNS

Taxpayers can file tax returns and claim refunds as soon as they receive W-2 or W-9 forms that show the income earned and the amount of taxes withheld. Employers have until January 31st after the tax year ends to issue W-2 forms.

However, employers have until the end of March to file that W-2 information with the IRS. Because tax refunds may be issued before employer W-2 information is received and verified by the IRS, fraudsters potentially have a two-month window to submit fake tax returns. And a refund can be sent to any address or account the fraudster specifies. All of this occurs without the taxpayer's knowledge.

KNOW THIS: You do not need to make a lot of money or have a large refund due to be a target for tax-related ID theft. Tax ID scammers try to stay under IRS radar and therefore, they tend to keep their claims under \$4,000.00.

WHAT TO DO IF YOU ARE A VICTIM OF TAX ID FRAUD

If you are a victim of any type of identity theft, follow the steps recommended by the Federal Trade Commission and file a complaint at [identitytheft.gov](https://www.ftc.gov/identitytheft). If your SSN is compromised and you know or suspect you are a victim of tax-related ID theft, the IRS recommends you:

- Immediately contact the IRS Identity Protection Specialized Unit at 800-908-4490;
- Respond immediately to any IRS notice;
- Complete IRS [Form 14039 Identity Theft Affidavit](#) (also available online through [IRS Publication 5027 Identity Theft Information for Taxpayers](#));
- Continue to pay your taxes and file your tax return, even if you must do so by paper; and
- Remember that even if a false refund is claimed and issued in your name, ID scammers don't actually steal "your" refund. If you are legally entitled to a tax refund, being a verified victim of tax-related ID theft will not change that. Your refund may be delayed, but you will, eventually, get your refund.

For more identity theft prevention and recovery measures, look at the Attorney General's Consumer Alerts, "[Identity Theft Protection](#)" and "[Identity Theft Recovery](#)."

REMEMBER THIS: The IRS will never call taxpayers with threats of lawsuits or arrests, and the IRS will never ask you to wire money, pay with a gift card or prepaid debit card, or share your credit card information over the phone.

HOW TO PROTECT YOURSELF FROM TAX ID THEFT

- Protect your personal information – and that of your dependents.
- Do not give out your SSN unless there's a good reason and you're sure who you are giving it to and how they will protect it.
- File your tax return as early as you can.
- If you file electronically, use a secure internet connection.
- If filing by mail, send your tax return directly from the post office.
- Research a tax preparer thoroughly before you hand over your personal information – and never send your personal information in a text or email.

Review the IRS' [Taxpayer Guide to Identity Theft](#) and its [Identity Theft Information for Taxpayers](#).

ADDITIONAL INFORMATION

Consumers may contact the Attorney General's Consumer Protection Unit at:

P.O. Box 30213, Lansing, MI 48909

517-335-7599 | Fax: 517-241-3771 | Toll free: 877-765-8388 | [Online complaint form](#)

The Attorney General provides Consumer Alerts to inform the public of unfair, misleading, or deceptive business practices, and to provide information and guidance on other issues of concern. Consumer Alerts are not legal advice, legal authority, or a binding legal opinion from the Department of Attorney General.

