



PRESS RELEASE

United States Secret Service
Department of Homeland Security

April 2, 2020
CMR 05-20

Secret Service Issues Tax Season Alert

WASHINGTON - As the nation responds to the coronavirus pandemic and Americans across the country are practicing social distancing, criminals, as we know it, have already concocted numerous methods for defrauding the public in connection with COVID-19. While you are at home teleworking, creating lesson plans for your children, or getting ahead of your spring-cleaning, you could also be looking for your W-2's and other financial documents to prepare for this year's tax season. The Secret Service wants to add one more thing to the list of items to be on the lookout for...Tax Scams. Tax season along with the latest COVID-19 scams provide an ideal environment for criminals to take advantage of law abiding citizens. The United States Secret Service is proactively taking steps to alert the public about the types of tax scams associated with identity theft.

"Tax Scam / Identity Theft" is the use of someone else's personal information (names, dates of birth, Social Security information) to file a fraudulent tax return or claim tax benefits. This fraud is particularly malicious because the legitimate taxpayer may have no way of knowing that fraud has been committed. The scam only works for returns that haven't been filed by legitimate consumers, so criminals are highly motivated to file as early as possible. The fraud will only be detected when a taxpayer receives a notice from the Internal Revenue Service (IRS) or state tax authorities regarding a problem with his or her return because—according to the federal or state records—they've already filed a return.

According to the Federal Trade Commission's 2019 Consumer Sentinel Network report, identity theft (in all its various forms) was the single biggest type of complaint, totaling 650,572 reports. Conservative estimates put the cost of this fraud to the nation's taxpayers at \$1.9 billion annually.

Over the past several weeks, Americans have been turning to government leaders for direction and information during this pandemic. As a response, the IRS recently changed the annual April tax-filing deadline to July 15, 2020. Furthermore, the government passed the Cares Act, which allocated \$2 trillion dollars to COVID-19 response efforts. Included in the Cares Act is the economic impact payment issued by the Treasury Department. What does that mean for you if you have already filed your taxes? Nothing, no action is required because the IRS and the Treasury Department will have your most recent and up to date information in order for you to collect your economic impact payment. However, for those who have not filed their 2019 tax returns, recently moved, and/or closed a bank account from their previous year's tax return, they will have to update their information with the IRS. This may lead to a delay in receiving an economic impact payout and or becoming a prime target for identity theft.

The Secret Service annually investigates not only frauds targeting victims expecting tax returns, but also those aimed at human resource employees in attempts to obtain other tax related documents.

Quick tips on how to avoid these scams:

- **File your taxes as early as possible**
- **Know that the federal government will not solicit personal information via telephone call, email, text or social media request** - If you are contacted over the phone, end the call, look up the phone number for the institution, and call back. Verify with the company or organization that they are calling.
- **Protect your personal information** – be cautious when sharing your personal identifiers
- **Check all your annual income-earning statements carefully** – additional or unexplained earnings could mean someone else is using your identity

- **Do not give your information over the phone.**
- **Scammers may ask you to verify your filing information and use your personal information to receive your money or they may make attempts to get you to sign your check over to them.**
- **Conduct safe cyber practices –**
 - Current software and antivirus / device contains the most recent updates
 - Vigilant for phishing emails
 - Do not click on the links or attachments in the body of the email
 - Change passwords frequently, dual factor authentication
 - Always independently verify any requested information originates from a legitimate source.
 - Visit websites by inputting the domain name yourself. If needed, then update/change your information.

Know the Signs of Tax Scams / Identity Theft:

- Cannot file your tax return due to a duplicate SSN
- IRS sends a letter inquiring about a suspicious tax return that you did not file, or that you owe additional tax or refund offset, or that you have had collection actions taken against you for a year you did not file a tax return.
- You receive a tax transcript in the mail that you did not request.
- You receive an email from the IRS indicating that an online account has been created, opened, closed when no actions occurred.

The Secret Service's primary investigative priorities over the coming weeks will be to mitigate any attempts by criminals that target citizens for identity theft and cyber-enabled crimes as it relates to COVID-19 during this tax season.

To learn more about the Secret Service's investigative mission, click [here](#).

###