

Congressman Brady Says New Tax Scams Continue to Surface (05/21/03)

PHILADELPHIA

- The federal tax-filing season ended on April 15, but Congressman Robert A. Brady (D., Pa.) says the Internal Revenue Service reports new tax scams are continuing. Two new schemes one targeting families of those serving in the Armed Forces and another targeting e-mail users have recently surfaced. In both schemes, people misrepresent themselves as being from the IRS.

"Across the nation IRS has seen isolated instances of the scam that targets the families of those serving in the Armed Forces," explained William Cressman, IRS spokesperson in Pennsylvania.

"We are anxious to warn taxpayers to be alert to both of these new tax scams so that they can avoid becoming victimized by con-artists who would steal their money and their identity."

The IRS warns consumers to beware of any variation of a scenario in which a telephone caller posing as an IRS employee tells a family member that he is entitled to a refund because his relative is in the Armed Forces. The scammer typically offers the lure of a fictitious refund, as much as \$4,000, and then requests a credit card number to cover a \$42 fee for postage. To make the call seem legitimate, the scammer provides an actual IRS toll-free number as the call back number. However, by the time the consumer contacts the IRS to check on the refund, the scammer has made numerous unauthorized purchases with the victim's credit card number.

Congressman Brady stresses, "IRS employees who call taxpayers do not ask for credit card numbers or request fees for payment of a refund."

"These shameless schemes hold out the allure of easy money. Taxpayers should always be on the lookout for questionable schemes. We urge taxpayers to remember that the IRS does not charge for refunds or solicit credit card information," said Cressman.

In another scheme, victims receive an e-mail that appears to be from the IRS. The e-mail contains links to a non-IRS Internet Web page that asks for personal and financial information. Such information could be used to steal the respondent's identity and get access to sensitive financial data or accounts.

Identity thieves can use someone's personal data to:

- take over his or her financial accounts,
- run up charges on the victim's existing credit cards,
- apply for loans, credit cards, services or benefits in the victim's name, or
- file fraudulent tax returns.

The IRS does not request sensitive personal or financial data by e-mail.

Taxpayers who are on the receiving end of one of these scams should contact TIGTA by calling the toll-free fraud referral hotline at 1-800-366-4484, faxing a complaint to 202-927-7018 or writing to the TIGTA Hotline, P.O. Box 589, Ben Franklin Station, Washington, D.C. 20044-0589. TIGTA's Web site is located at www.ustreas.gov/tigta.

In the past, scammers have impersonated IRS agents by going to taxpayers' houses to "collect taxes." Genuine IRS special agents, field auditors, and collection officers carry picture IDs and will normally try to contact the taxpayer before they visit.

In another scam, the scheme promoters sent out fictitious bank correspondence and phony IRS forms in an attempt to trick the recipients into disclosing their personal and banking data. The scheme promoters then used the information to impersonate the taxpayer and gain access to the taxpayer's finances.

Genuine IRS forms do not ask for sensitive personal and financial data except in very special circumstances.

Additional information on tax scams may be found on the genuine IRS Web site, IRS.gov, by going to The Newsroom page and then clicking on the Scams/Consumer Alerts link under the Topics sidebar.