

Tax Season Scams

consumer *brief*

TAX PHISHING SCAMS

Identity thieves are a year-round threat but they step up their game during tax season to take advantage of taxpayers eager to collect their refund. Scammers may try to get you to click on a link and provide your personal information, or send you a fake email that appears to come from the IRS or popular tax preparation sites and services, claiming there's a problem with your filed tax return. Follow these tips to avoid getting "reeled in" by a tax phishing scam:

- Be aware that the IRS does not initiate taxpayer communications through email.
- Refrain from opening attachments or clicking on links claiming to be from the IRS or your tax preparation company.
- Beware of emails that address you as "sir", "madam", or "taxpayer;" they are usually fake.
- Never respond to unsolicited emails asking you to submit personal information or documents.
- Report any emails claiming to be from the IRS by forwarding the emails to phishing@irs.gov. In New Jersey you can also report any type of tax fraud by calling the Division of Treasury 24 hour tip line **609-322-6057**.

IRS IMPOSTERS

IRS imposters are scammers who pretend they're calling from the IRS. They claim you owe taxes and demand immediate payment with a gift card or prepaid debit card. Many of these imposters are tax ID thieves who don't have enough personal information to file a return, and they may call the intended victim pretending to be with the IRS or another government agency trying to verify information. To avoid falling victim to IRS imposters:

- Never provide personal information to someone who calls you.
- Always hang up and independently verify the number before calling back.

- Keep in mind the IRS does not make outgoing calls from its toll-free numbers. If you see a toll-free number identified as the IRS on your caller ID, it is a phony or "spoofed" call.

"GHOST" TAX PREPARERS

More than half of taxpayers hire someone else to handle or help with their returns. Though most tax preparers are honest professionals, some are common criminals who set up shop to take make a quick buck. To avoid falling victim to ghost tax preparers:

- **Make sure your tax preparer is qualified:** Tax preparers must post their qualifications, fees, and whether or not they will represent you at a government audit. Preparers must sign every tax return, and provide customers with a copy of your tax returns and an itemized receipt listing the individual cost of each service and form prepared for you, as well as the preparer's address and phone number where they can be contacted throughout the year.
- **Keep a paper trail:** Never sign a tax return that is blank, incomplete, or filled out in pencil, to avoid your return being filed or altered without your permission. You are entitled to receive a copy of your prepared tax return before or when it is filed, and any personal paperwork you provided to facilitate the tax preparation.
- **Watch for Red Flags of Fraud:** Walk away from any preparer who encourages you to lie about your income or your deductions to increase the amount of your refund, fails to disclose up front the preparation costs and fees associated with an anticipated refund, guarantees you will not be audited by any government tax agency, charges a preparation fee based on the amount of your income, and/or seeks to have your tax refund mailed to them directly.

800-242-5846 ▶ New Jersey Division of Consumer Affairs
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