

Scams Involving the IRS Continue

How to spot the red flags

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IRS Criminal Investigation works closely with the Department of Justice to shut down scams and prosecute the criminals behind them. Unfortunately, scammers are becoming more sophisticated and in some instances, downright aggressive.

As tax professionals, we need to be prepared to answer our client's questions and help protect them against swindlers who are trying to steal their money and, in some cases, their identity.

Since there is no end to the proliferation of identity theft, the IRS continues to warn the public to be vigilant. Scammers often call taxpayers and claim to be with the IRS. They even have the ability to manipulate caller ID to make it appear the call is originating from an IRS service center. These criminals often demand money for unpaid taxes. Some may try to lure the taxpayer into providing bank account numbers or other private financial information with the promise of a refund.

These con artists can sound incredibly convincing when they call. They may know a lot about the taxpayer and even use fake names and bogus IRS badge numbers. If the phone call goes unanswered, the scammers often leave an urgent callback request. Sometimes they use scare tactics by threatening to freeze bank accounts, apply liens to property, or even send the local police to arrest the taxpayer.

The IRS respects taxpayer rights when working out payment of taxes and never contacts taxpayers by phone. For that reason alone, taxpayers should know when a supposed IRS caller is a fake. Here are five tactics the scammers often use:

- Call to demand immediate payment. The IRS will not call about taxes you owe without first mailing you a bill.
- Demand that you pay taxes without giving you the chance to question or appeal the amount they say you owe.
- Require you to use a certain payment method for your taxes, such as a prepaid debit card.
- Ask for credit or debit card numbers over the phone.

- Threaten to bring in local police or other law enforcement to have you arrested for not paying.

The IRS never uses these tactics. Individuals who receive a phone call from someone claiming to be from the IRS and asking for money should:

- Call the IRS at 800.829.1040 to talk about payment options if they know they owe taxes or think they might owe. Taxpayers also may be able to set up a payment plan online at IRS.gov.
- Report the incident to TIGTA at tigta.gov or 800.366.4484 if they're certain they don't owe taxes or have no reason to believe that they do.
- Contact the Federal Trade Commission at FTC.gov and use the "FTC Complaint Assistant" to report the scam. The Commission asks individuals to add "IRS Telephone Scam" to the comments of their complaint.

Remember, the IRS currently does not use unsolicited email, text messages or any social media to discuss personal tax issues. For more information on reporting tax scams, go to irs.gov and type "scam" in the search box. ■

