

July 30, 2023

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# Beware the Latest Scams by Criminals Posing as the IRS

By Allison D.H. Soares and Lauren Suarez

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Through the years, we have all been exposed to a plethora of money scams. From Nigerian princes requesting \$5,000 be wired to save grandma to phone calls purportedly from Internal Revenue Service (IRS) stating that you will be going to jail, the length that a scammer will go to instill fear into the hearts of millions knows no bounds. This means you should not run to your bank and wire out the \$5,000—Grandma is fine and not vacationing in Nigeria.

You can imagine that we, as tax law practitioners, get quite a few panicked phone calls every year related to the latest IRS scam. Previously, the main avenues for scammers who used the IRS as their Trojan horse was via a phone call or voice mail left for unsuspecting individuals stating that they owed a significant amount of taxes and that they should call immediately to avoid jail time. This especially hit the senior citizen community as they started to panic over their monthly Social Security checks. It used to be that we could easily answer the panicked calls we would receive by telling people that the IRS will never call you over the phone to tell you that you are going to jail. And that was that. However, scammers are like cockroaches, and even though you block one avenue for them, they will try a different route.

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As IRS scams and consumer alerts have multiplied and evolved, the [IRS has created a web page](#) solely for the purpose of helping taxpayers recognize the latest and greatest attempts. The IRS

confirms on this web page that the IRS *does not* initiate contact with taxpayers by email, text, or social media messages to request personal or financial information.

The top-three IRS scams that we currently see are related to (1) employee retention tax credit (ERTC) filings, (2) identity theft and fraudulent filing of tax returns for refunds, and (3) unclaimed refunds.

## **ERC Filing Scams**

In ERTC filings scams, the scammers present themselves as tax professionals and aggressively push businesses and individuals to file for tax credits (even if the victims don't actually qualify). The victims trust and pay these scammers and end up either having their ERTC claim denied or being subjected to an audit on the amended returns that were filed for the refund claim. All of this causes the victims to expend additional time and money.

## **Identity Theft and Fraudulent Filings for Tax Refunds**

The second type of scam has been happening for years: Scammers steal an individual's Social Security number and file tax returns with the victim's information in an attempt to obtain a refund. This means that when victims go to file their return, they will find that someone has already filed in their name. Victims then have to paper file or amend their tax returns. Should your Social Security number be stolen and used in this way, the [IRS has a program](#) in which you fill out the appropriate information and are given a PIN to file future tax returns.

## **Unclaimed Refund Scams**

The final type of scam is the scariest by far. Recently, news outlets have been reporting that people are receiving letters in the mail related to unclaimed tax refunds. People have been told for years that the IRS will only contact them by mail, so receiving a letter on official-looking IRS letterhead throws everyone for a loop. In the letter, the scammer lists fraudulent IRS contact information (i.e., a phone number and mailing address that the scammer controls) so that victims, in an attempt to collect the nonexistent refund, will send the scammer their Social Security number and other personal information. The scammer can then use the personal information for a host of crimes related to identity theft.

This article is merely a glimpse of all the ways criminals use the word “IRS” to scam taxpayers. If you are notified that IRS is looking for your information or is about to send you to jail for an imaginary debt, it is always wise just to give the IRS a call—using the *actual* IRS phone number found on the official IRS website—and confirm before unknowingly going down the path of Social Security fraud or unwittingly funding grandma’s vacation to Nigeria.

To be informed, please see the following links:

- <https://www.irs.gov/identity-theft-central>
- <https://www.irs.gov/newsroom/tax-scams-consumer-alerts>

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