



Dear Clients & Friends of Cornerstone:

We have all heard about identity theft and even more recently, tax identity theft, where someone submits a tax return on your behalf and claims the refund for themselves. We do not want to think it could happen to us but, if it does, we need to know what to do.

The following article gives you some very valuable information on the steps you need to take to recover from identity theft. There are also links to several documents and other resources to help you navigate the recovery process. We hope this never happens to you but we want you to be aware and prepared if it does.

If you would like to refer back to any previous newsletters we have published, you can find them on our website. Please be sure to visit www.ccadvisors.com.

- Cornerstone Capital Advisors

How To Recover From Identity Theft & Refund Fraud

by [Joe Popp, JD, LLM](#)

Have you been (or suspect you've been) a victim of identity theft and refund fraud? Rea & Associates recently compiled a variety of information that will help you recover from this nightmarish scenario.

Suspecting, and then confirming, that you've had your identity stolen is a nightmarish scenario. It combines one of your worst fears, losing your wallet or purse, with all of the work of replacing the things that were lost. It can be so overwhelming you might be wondering: "Where do I even start?"

An increasing number of identity thefts are first identified when a thief attempts to file a tax return on your behalf and claim a federal or state tax refund. To help you navigate some of the issues you may be confronted with, we recently released a compilation of documents and resources.

The documents that are included are intended to help you navigate some of the issues you may be confronted with if you find that you've been an identity theft and fraudulent tax return victim.

Beat The Identity Thieves

The guidance includes a variety of valuable information for those who have been (or suspect they've been) a victim of identity theft and refund fraud. The following is a brief synopsis of information included in this guide.

The IRS has provided a short list of items for you to complete, which is substantially similar to the items the Federal Trade Commission (FTC) covered in its longer, checklist-style guidance.

- The primary item to complete for the IRS is [Form 14039](#) which initiates the IRS fraud protection procedures.
- Also included is a form letter, one of several, the IRS may send to a taxpayer if tax return fraud is suspected to be occurring on the account.
- The IRS has published a number of articles related to identify theft and how to protect yourself. A master page with links to all these topics is included in this packet. **You may also check out some of our recent articles on the topic, which can be found in the "Related Articles" portion of this post.**

The process of reporting fraud in Ohio is similar to the IRS procedures.

- Ohio also sends form letters to the taxpayer.
 - Ohio recently added an identity quiz for roughly 50 percent of taxpayers requesting a refund. This letter simply asks the taxpayer to complete a quiz specifically used to prove their identity. **Note:** This request doesn't indicate that your identity has been stolen (unless you haven't filed your tax return for the year yet).
 - If the Ohio Department of Taxation suspects fraudulent activity on the account, the taxpayer will receive a second letter that will indicate these suspicions.

- Ohio includes an affidavit (Form IT TA) that must be filled out to initiate their protection procedures, similar to Federal.

The FTC is the primary federal government agency dealing with identity theft.

- The FTC has put together a very detailed, checklist to help you with the identity theft process. The guidance includes information on most forms of identity theft – of which tax identity theft is just one. While this may be more information than you need, if the fraud has gone beyond your tax returns and includes false credit activity (or you are concerned this may happen), this guide will be very useful for you.
 - The guide includes a wealth of information, such as sample letters and a variety of websites and contact information to relevant organizations that can help you. It also guides you through the process of making a police report in response to the theft of your personal information. Check it out [here](#).
- **Note:** The IRS and the FTC generally do not share data with each other. Therefore if you have completed the IRS identify theft notification procedures, don't assume that the FTC, credit bureaus, etc., are also aware of your situation.

Check Your Mail, Not Your Caller ID

Remember, the first contact taxpayers will have with the IRS regarding any issue will be in the form of an official mailed letter – [not a phone call](#). These scammers appear to be determined to steal your money and/or your identity and reports of these types of scams continue to be on the rise. By educating yourself, your friends and your family, you are taking a proactive stance against these criminals.

If you would like to learn more about how you can protect yourself against, and recover, from Identity Theft & Refund Fraud, [click here](#) to view our compilation of documents and resources.