

Identity Theft

Pub 4491 Part 1
Pub 4012 Pg P-1



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Identity Theft



- Someone uses another's information, such as name, identifying number, or credit card number, without permission, to commit fraud or other crimes.
- Victims of identity theft are victimized mostly through no fault of their own



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- IRS sends notices to taxpayers identified as victims (or potential victims)
- Notice provides Identity Protection PIN victim needs when filing his or her 2014 tax return

Identity Theft



- Ask taxpayer if s/he contacted IRS regarding identity theft or if IRS sent notice of potential identity theft

12. Have you or your spouse: a. Been a victim of identity theft? ☐ Yes ☐ No

Identity Theft (cont)

- Enter IP PIN on TaxWise Main Information Sheet in Identity Protection PIN section near bottom

Identity Protection PIN

If the taxpayer and / or spouse is an identity theft victim who has been validated by the IRS and has received a CP01A letter that contains an Identify Protection PIN, enter the PIN here.

Do not enter leading zeroes.

Taxpayer's identity theft PIN

Spouse's identity theft PIN

| | |
|--|---|
| | 0 |
| | 0 |

Note: e-file return will be rejected if IRS issued PIN not included



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Identity Theft (cont)

- If taxpayer received IP PIN but lost it, have taxpayer call ID Theft Toll-free Hotline: **800-908-4490**
- If hotline provides new IP PIN – e-file
- If not – create paper return and advise taxpayer to follow hotline instructions



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- If e-file rejected with indication that tax return for primary or secondary social security numbers has already been filed, give taxpayer:
 1. Paper copy of return to mail
 2. Letter with instructions
 3. Form 14039 – Identity Theft Affidavit



Potential Identity Theft

We have been unable to electronically file your federal tax return this year because it was rejected with an indication that a tax return for one of the social security numbers listed at the top of the return has already been filed. This could have occurred because of an innocent error by some other taxpayer, such as entering an incorrect social security number on their return; but it could also indicate an attempted or successful case of identity theft. Regardless of the reason, you will have to file your federal return on paper this year.


Contact the IRS Identity Theft Hotline (800-908-4490) to discuss the situation. If identity theft is suspected after this discussion, you should take the following steps:

1. Complete IRS Form 14039, Identity Theft Affidavit, and submit it with your paper federal tax return. Check the box that says "I am a potential victim," complete, sign, and date the form and attach a copy of one of the types of identity documents listed on the form to verify your identity. Please note that submitting this form will cause the processing of your tax return to be delayed. You may receive a letter from the IRS with instructions on how to minimize this delay in future years. If you receive such a letter, please bring it to the person preparing your next tax return so they can follow the special instructions it contains.
 2. Contact the three credit reporting agencies, explain what has happened, and tell them you want to report a case of possible identity theft.
Equifax - 800-525-6283
Experian - 888-397-3742
TransUnion - 800-680-7289
 3. Contact the Social Security Administration at 800-772-1213, report your situation to them, and follow any instructions they give you.
- Optional, but strongly recommended by the IRS:
4. File a report of possible identity theft with your local law enforcement agency.
 5. File a report of possible identity theft with the Federal Trade Commission at www.consumer.gov/idtheft or at 877-438-4338.
 6. Obtain IRS Publication 4535, Identity Theft Prevention and Victim Assistance, for further information and advice.

We are sorry for the inconvenience this has caused you and look forward to preparing your tax return in future years.



Form 14039

| | | |
|--|---|--|
| Form 14039 Rev. February 2014 | Department of the Treasury - Internal Revenue Service Identity Theft Affidavit | OMB Number 1545-2139 |
| Complete and submit this form if you are an actual or potential victim of identity theft and would like the IRS to mark your account to identify questionable activity. | | |
| Check only one of the following two boxes if they apply to your specific situation. (Optional for all filers) | | |
| <input type="checkbox"/> I am submitting this form in response to a mailed notice or letter from the IRS. <input type="checkbox"/> I am completing this form on behalf of another person, such as a deceased spouse or other deceased relative. You should provide information for the actual or potential victim in Sections A, B, & D. | | |
| Note to all filers: Failure to provide required information on BOTH sides of this form AND clear and legible documentation will delay processing. | | |
| THIS FORM MUST BE SIGNED ON THE REVERSE SIDE (SECTION F). | | |
| Section A – Reason For Filing This Form (Required for all filers) | | |
| Check only ONE of the following two boxes. You MUST provide the requested description or explanation in the lined area below. | | |
| 1 <input type="checkbox"/> I am a victim of identity theft AND it is affecting my federal tax records. <i>You should check this box if, for example, your attempt to file electronically was rejected because someone had already filed using your Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN), or if you received a notice or correspondence from the IRS indicating someone was otherwise using your number.</i> Provide a short explanation of the problem and how you were made aware of it. | 2 <input type="checkbox"/> I have experienced an event involving my personal information that may at some future time affect my federal tax records. <i>You should check this box if you are the victim of non-federal tax related identity theft, such as the misuse of your personal identity information to obtain credit. You should also check this box if no identity theft violation has occurred, but you have experienced an event that could result in identity theft, such as a lost/stolen purse or wallet, home robbery, etc.</i> Briefly describe the identity theft violation(s) and/or the event(s) of concern. Include the date(s) of the incident(s). | |
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Recommendation...

E-file everyone for whom return is prepared

- From taxpayer's perspective
 - Identify identity theft
 - Potentially prevent identity theft
 - Provide documentation of tax status
- From IRS perspective
 - Incremental "cost" of e-file is low
 - Cost of dealing with identity theft is high
- From AARP perspective
 - Better tracks activity
 - Creates IRS record of return if questions arise later

Identity Theft

Questions?



Comments?