

Advisory: IRS Telephone Scams Increasing

The Treasury Inspector General for Tax Administration, the agency responsible for overseeing the IRS, reported this week that telephone scams with callers claiming to represent the IRS are on the increase. The scammers try to get the victim to pay an alleged tax liability by threatening to bring the wrath of the government down upon the victim if he or she fails to pay. The dialogue these scammers employ is roughly the same, which suggests that there might be a common criminal enterprise behind these scams. Some of the common characteristics are as follows:

- Scammer claims to be from the IRS collections department, and tries to bolster this claim by giving a fake badge number and name
- Scammers often know the last four digits of the victim's social security number, and possibly other private information
- Scammers may manipulate caller ID to make the origin of the call appear legitimate.
- Victims may hear background noise of other calls being conducted to mimic a call site
- Scammers will demand payment via pre-paid debit cards or wire-transfer, both of which are unsecure methods of payment
- Scammers will make a variety of threats, but some of the more common threats are deportation, jail time and driver's license revocation
- After the call, scammers may send a bogus IRS email or call back pretending to be the police or department of driver services

There is no official number of people who have fallen victim to this scheme, but the Treasury Inspector General for Tax Administration reports that taxpayers have been duped into paying over \$1 million thus far.

There are a number of red flags that should help you identify that such callers are not legitimate: First and foremost, the IRS never initiates contact via telephone or email. If the IRS has a problem with you, it will send a notice or, in rare occasions, will send a field agent to you in person. Second, the IRS does not request payment information via telephone. Third, the IRS cannot legally threaten you with deportation, criminal sanction or suspension of your license. Lastly, and this applies to all situations, if someone wants payment only via a pre-paid debit card or wire-transfer, you should immediately be suspicious.

If you receive such a call, report the incident to the Treasury Inspector General for Tax Administration at 1.800.366.4484 and to the Federal Trade Commission at FTC.gov. However, if you are unsure what to do, or if you receive an IRS notice or other correspondence that appears to be legitimate, please don't hesitate to contact us at:

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