



It's that time of year again, tax time. For many, dealing with tax forms and numbers is already confusing and stressful enough. So before you begin, why not take a minute to review these essential tips to protect your personal and financial data from identity theft and its consequences.

Secure your computer and mobile devices:

- Use security software and keep them updated
- Encrypt your sensitive files and data
- Use long and strong passwords, and take advantage of Multi-Factor Authentication (MFA)
- Look for HTTPS when sharing your sensitive information
- Never use public wifi to do banking or filing tax returns

Avoid falling for tax time scams to steal your information or leave malware behind:

- A phishing email that asks you to click on a link (re-confirm your identity); open a document (unexpected Refund!); or enter personal information (urgently needed to avoid some violation)
- Phone scams from the "IRS" to verify information on your tax return, or that you owe back taxes and you need to pay now!

Protect your personal information:

- Encrypt documents that contain any of your personal information
- Review security and privacy settings for your online accounts
- Don't overshare on social media

Are you using someone else to do your tax returns? Choose wisely!

The IRS is warning taxpayers to beware of "ghost" tax return preparers, and the problem they could bring. These individuals will prepare your returns but refuse to sign them. A big red flag that they may be trying to scam money from you by promising large refunds to get a large fee by claiming fake income and deductions on your returns.

Unemployment Benefits Fraud

Last year as States were dealing with historic numbers of unemployment claims due to Covid-19, they were also hit by a massive unemployment fraud campaign (see May 2020 Alert!). When you file your taxes, if you find there has been an unemployment claim fraud against you (whether in your tax files or by receiving a Form 1099-G for unemployment compensation that was not yours), you should do the following:

- Contact issuing state agencies to report fraud.
- File an accurate federal tax return reporting only income received.
- Follow FTC recommendations for identity theft:

If you have been a victim of state unemployment fraud, the IRS said it should not affect the filing of your federal returns.