

Ways to Spot Income Tax Fraud



It's tax season! For many people that means playing a game of hide-and-seek to find necessary documents, but for fraudsters it could mean a big payday. To help keep your money where it belongs, check out these **4 tips to spot income tax scams and how to avoid them.**

Scammers typically contact you via:

- Phone call
- Letter
- Email
- Text message

The IRS does not use threatening tactics

The IRS will never call you and demand immediate payment, especially by debit card, gift card or wire transfers. Scammers will use scare tactics like putting a lien on your house or arresting you to try and get you to pay. Scammers know that emotions cloud your judgement and make it easier to take your money.

The IRS initiates most contacts with taxpayers through regular mail delivery by the U.S. Postal Service. If you're being contacted via phone, text, or email, beware this may be a scam.

Beware of replying to messages

If you receive a text, email, call or letter from the "IRS" asking you to click a link, reply, or call them back – check them out first!

Scammers will often create fake website with lookalike web addresses or send emails that look legitimate. Similarly, they might send a text message or leave a message asking you to reply to a phone number. Don't do it! Research the phone number or web address before responding. The best way to avoid falling victim is to not engage – scammers can be very persuasive.

Independently verify information

To confirm the status of your IRS account, go to [IRS.gov](https://www.irs.gov) and log in. This allows you to see if you owe on past years' taxes and check the status on expected refunds.

Asking for sensitive or personal information

Giving personal information to strangers may lead to identity theft, and a lost income tax refund.

Examples include:

- Account number
- Credit or Debit Card number
- Social Security Number
- Personal information

Don't be fooled if scammers have your address – it's easy to get these days. Someone may try to use that information to earn credibility. If the call is legitimate, they won't mind if you hang up and independently contact the IRS directly.

Asking for money back

If money is deposited into your account (whether by check or electronic transfer) out of the blue or seems too good to be true, it probably is.

The IRS will not ask you to give back part of your personal income tax refund. This tactic is often followed by a notification that the money was accidentally deposited into your account. A Scammer will ask you to return the money by cash, a cashier's check, or have it wired to a financial institution other than yours. The last part is a strategic move – don't give a way your hard-earned money!

FAQs about how the IRS makes contact

Does the IRS contact you by phone? Yes – the IRS may contact you by phone. But when they first contact you about unpaid taxes, it's typically done via mail. If you do get a

phone call claiming to be from the IRS, always question the phone number – caller ID names and numbers can be spoofed!

How will the IRS contact me? The IRS will:

- Send you mail via U.S. Postal Service
- Call you
- Show up at your door

The IRS does not use email, text, or social media to discuss tax debts or refunds. But remember, they will never threaten you during contact.

How can I tell if an IRS letter is real? The best thing to do is call the actual IRS number to verify they are trying to reach you.

So, remember, the IRS will not threaten you, ask you for personal financial information, or ask you to send cash back. And if something sounds too good to be true, it probably is!

If you're unsure of someone's intentions, remember that Cheney Federal Credit Union is here for you! Call us at 509.235.6533 or visit one of our branches. We are happy to help.