

Warning – Don't Be a Telephone Scam Victim



The IRS has been trying to alert taxpayers to a telephone scam involving taxes. The scam involves threats of dire, immediate consequences for not paying immediately. I know this is happening because I have talked with four people in the last month who have received such calls. Unfortunately, one person did become a victim to the tune of a few hundred dollars before he contacted me.

The scam works like this. The target of the scam receives a phone call or a voice mail message from someone claiming to be from the IRS. The caller tells the target that she owes taxes and must pay right now. The caller goes on to say that, if the payment is not made immediately, a warrant for arrest may be filed with the local police. The caller goes on to say that this will be done immediately and the person will face arrest until a payment is made.

To further enhance the caller's credibility, the call will appear to come from the 202 area code, which is Washington, DC. Note, however, that it is easy for the caller to "spoof" the caller ID and override the real originating number with the desired fake number.

If the caller has left a voice mail message, the message may sound like a poorly done computer-generated voice. Again, the call will use a 202-area code number, or maybe a toll-free number.

If the target does talk to someone, the person will typically have a very "generic" name. The name may not be consistent with the accent or speaking style of the caller. The caller may refuse to give an ID or badge number, even when requested. The refusal to give an ID number or to question why one wants the number is really a giant red flag. True IRS personnel almost always give you their ID number right away without you asking for it. But, even if you have to ask, they will give it to you without questions.

The call will demand you pay a substantial amount, even if you cannot pay the entire amount she claims you owe. Plus, the amount she claims probably will not be accurate even if you do owe taxes. The caller may start off demanding \$1,000. But, when you protest you cannot pay that much, she will ask how much you can pay. And, when you give her a figure, such as \$350, that is the amount she will accept.

Next comes the actual payment part. The real IRS will accept checks, money orders, cashier's checks. There are even methods for using debit cards, credit cards and pre-paid cards. But, the real IRS will not accept any of these payment methods over the phone. But, this caller won't accept a credit card or debit card, but she will accept a pre-paid money card over the phone.

She will likely tell you to go to a local store that handles wire transfer or pre-paid money card type of transactions. She will give you specific instructions on how to send the money after you have the money

card. The process may involve calling her back and giving her the money card number. Or, you have to go on-line and provide the information. But, in either case, the scammer gets the money immediately in a manner that is really not traceable. In addition, you will not be able to undo the payment like you could with a stop payment order on a check or by disputing a credit card transaction with the credit card company.

What can you do to protect yourself from being a victim of such a scam?

First, keep in mind that the IRS will have contacted you by mail for any issues with your account. You will have had several opportunities to address the problems,

Second, know that the IRS will very rarely call you, and especially not on week-ends.

Third, if you are not aware of any issues with your account, or even if you know there are issues, and you receive such a call, you can contact the IRS directly at numbers published on its web site, www.IRS.gov to verify the status of your account.

If you do receive such a phone call, the IRS requests you report it to the Treasury Inspector General for Tax Administration at 1.800.366.4484.

You should also contact the Federal Trade Commission and use their "FTC Complaint Assistant" at www.FTC.gov. . Please add "IRS Telephone Scam" to the comments of your complaint.

As always, you should be vigilant and wary and know your own tax situation. If you are working with a tax professional to resolve your tax issues, you should always simply refer the caller to your attorney. Then, notify your attorney with all the particulars. If you just receive the voice mail message and are not sure what you should do, contact a professional for guidance or call the IRS at a published number for more information about the specifics.



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