

ID thieves targeting tax returns

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LEE COUNTY: Identity thieves are now targeting tax returns to make money at your expense. In fact, the problem has become so bad, the Internal Revenue Service opened a special office to handle identity theft cases.

Like millions of Americans, Dan Jacobs filed his tax return with a tax preparer, but instead of getting his money from the IRS, he got a phone call.

"We had been rejected by the IRS. My social security number had already been used by another individual," said Jacobs.

Someone had stolen Jacobs' social security number, gotten a job, and filed a tax return using his identity.

"You hear about it all the time, but until it hits you, it hits home. You wonder, you get scared, upset," said Jacobs.

Shalimar Price of the IRS says the problem has become so widespread, the agency has opened a special identity theft unit.

In fact, the Federal Trade Commission just issued a new report showing identity theft went up 20-percent from 2007 to 2008.

"We see now when they file their tax returns, they may see their tax return has already been filed. That happens, and so people come into our office," said Price.

The IRS has issued an alert telling people if you get a letter from the IRS saying a tax return has already been filed for you - pay attention, chances are its legit.

"Any type of correspondence from the IRS if you question it-- contact us. Come in, call. If you get an email - we don't email you," said Price.

Another sign you may be the target of identity theft is an IRS letter indicating you received wages from an employer unknown to you.

The IRS says the best way to avoid identity theft in the first place is to protect your personal information, especially things like W-2s.

"You want to make sure information such as your tax return is safe. Don't leave it in your car. You want to make sure it's safe," said Price.

"It was disturbing," said Jacobs.

Jacobs filed a police report and notified credit agencies, things the IRS tells you to do, but says he still doesn't have his identity back.

"Frustrating. Extremely frustrating," said Jacobs.

He wants others to know it can happen to you, too.

You can reach the IRS Identity Theft Hotline at 1-800-908-4490 or the Federal Trade Commission at 877-ID-THEFT.

URL: <http://www.msnbc.msn.com/id/29684471/>

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