



State of New Jersey
DEPARTMENT OF THE TREASURY

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Beware of 'Phishing' Scams, Identity Theft During Tax Season

TRENTON – The early weeks of tax season are often a time when con artists prey on taxpayers by stealing their data, identities and refunds. These criminals send out 'phishing' emails prompting the unsuspecting to divulge the information they need to illegally receive refunds by filing bogus tax returns.

Identity theft of legitimate taxpayers is a serious problem and is one way that criminals can compromise a taxpayer's personal data. The IRS paid out \$5.8 billion in fraudulent refunds during the 2013 filing season, according to the U.S. Government Accountability Office. Tax fraud is expected to increase to as much as \$21 billion by 2016. The IRS said 1.6 million taxpayers were affected by identity theft in 2013, compared to only 271,000 in 2010.

Taxpayers may have read media reports in February that Intuit, maker of TurboTax software, briefly halted the electronic filing of all state returns after 19 states noticed attempts by identity thieves to illegally obtain the refunds of legitimate taxpayers. Some states temporarily suspended the issuance of refunds to ensure they are distributed to the correct recipients.

New Jersey was not one of the states specifically identified in the Intuit situation. However, the Division of Taxation constantly monitors identity theft attacks, and has noticed an increase in fraudulent attempts to steal identities during the past year. Prior to the Intuit announcement this month, the Division implemented new steps to help protect the identity of New Jersey taxpayers.

For the reasons mentioned above, it might take longer to process certain State tax returns this season, and that means the Division may need a longer validation period before issuing some refunds. The security of taxpayer information is paramount to the Division, and we ask taxpayers for their patience as we process returns in the months ahead.

The Division makes every effort to prevent identity theft and ensure that refunds are paid to the correct filers. But taxpayers should be aware of how they can protect themselves against the following:

- Con artists who impersonate IRS or New Jersey Division of Taxation agents sometimes call unsuspecting taxpayers and threaten them with arrest or deportation. These aggressive individuals

will demand the taxpayer pay off a tax fine from a previous year by placing money on a pre-paid debit card.

- Taxpayers should be on guard against 'phishing' attempts in which fake emails or websites are used to steal personal information. Sometimes an email will warn tax software customers that their accounts are about to be closed unless they log on immediately. An unexpected email that claims to be from the IRS is always a scam because the federal agency does not contact taxpayers by email or social media to request personal or financial information.

Consumers who use tax filing software programs should access their accounts independent of an email notice and determine whether any returns that they did not file are listed under their Social Security numbers.

If they notice any discrepancies, they should contact the Division and submit [Form IDT-100](#) or mail a signed copy of the form to:

New Jersey Division of Taxation

Attn: Identity Theft

P.O. Box 272

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