

Five Signs for Potential Tax Identity Theft

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As Tax Season Ramps Up, Taxpayers Should Understand Their Potential Risks

KANSAS CITY, MO -- (Marketwired) -- 01/25/16 -- Stolen tax identify refund fraud is a million dollar business -- for the fraudsters. In 2013, the last year of available statistics, the IRS identified almost 3 million potential fraudulent returns. That same year there was more than \$5 billion paid out in fraudulent refunds. Today H&R Block (NYSE: HRB), the world's largest consumer tax preparation company, joins the industry to kick off what the Federal Trade Commission deemed [Tax Identity Theft Awareness Week](#).

The truth is, all taxpayers are vulnerable to tax identity theft. The news is filled with a barrage of stories detailing the latest data breach as well as news of young and old, rich and poor, blue-collar and white-collar, all falling victim to tax identity theft.

But what makes someone a particularly attractive tax identity theft target? The truth is that the tax identity thief works to steal almost anyone's identity. However, it could be easier to get away with tax identity theft if the identity thieves are able to file early and get the refund before the taxpayer ever knows. Here are five characteristics that may make someone an ideal potential tax identity theft victim:

- ***Someone not required to file*** - If a taxpayer's income is below the filing threshold and the individual does not choose to file, someone else could fraudulently file on their behalf.
- ***Those who typically don't receive a refund*** - Taxpayers who do not expect a refund, or who expect to owe additional taxes, usually have little incentive to file early. This leaves a larger window of opportunity for the identity thief to file first.
- ***Living in a state with no state income tax return*** - Taxpayers who only file a federal return are then not worrying about a state return, and therefore open the window for a fraudster to use their information to file a state return in another state.
- ***The more dependents the more social security numbers to protect*** - For each name on the tax return there is a social security number. Younger dependents won't file their own returns for years but fraudsters often hijack those numbers to then file a false return.
- ***Failing to forward mail or tell IRS about a change of address*** - This can lead to W-2s being mailed to a former address, therefore providing opportunity to fraudsters to retrieve that information and filing an income tax return.

Combat tax identity theft with IP PIN and Tax Identity Shield[®]

"H&R Block is a leader in the industry and as such we are taking additional steps to help better protect our clients, this tax season," said Mark Ciaramitaro, vice president of H&R Block products and services. "Both in the office and online we take the protection of our clients' personal data very seriously."

To combat the problem, the IRS created the Identity Protection Personal Identification Number (IP PIN) program. The IRS and taxpayer use the IP PIN at the time of tax return e-filing to prove the taxpayer's identity. But this program can be confusing, leading to very low IP PIN adoption.

H&R Block is committed to helping taxpayers take advantage of this program and take additional steps to help better protect themselves and their tax identities. [Tax Identity Shield[®]](#) will provide tools and information, in partnership with Equifax[®], to help clients better protect themselves from tax identity theft, including:

- help applying for an IP PIN and other IRS protections for eligible taxpayers,
- a pre-tax-season assessment of their potential risk of tax identity theft and take necessary steps to protect themselves,

- access to an Equifax® credit score and credit report for the primary taxpayer,
- early detection and alerts of any potentially fraudulent returns using the client's information submitted through H&R Block, and
- expert guidance and support from specially trained H&R Block and Equifax identity restoration agents for victims.

Tax identity theft is one of the top concerns this time of year. Now is the time for everyone to take proactive steps to help better protect themselves.

To learn more about tax identity theft and how to protect against it, visit <http://fraudcenter.hrblock.com/>.

About H&R Block

H&R Block, Inc. (NYSE: HRB) is the world's largest consumer tax services provider. More than 680 million tax returns have been prepared worldwide by and through H&R Block since 1955. In fiscal 2015, H&R Block had annual revenues of nearly \$3.1 billion with 24.2 million tax returns prepared worldwide. Tax return preparation services are provided by professional tax preparers in approximately 12,000 company-owned and franchise retail tax offices worldwide, and through H&R Block tax software products. H&R Block also offers adjacent Tax Plus products and services. For more information, visit the H&R Block Newsroom at <http://newsroom.hrblock.com/>.

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