

## **IRS Summertime Tax Tip 2007-23**

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### **Tax Scams – The Last Thing You Need**

Life is complex enough without con artists trying to separate you from your hard earned dollars. It can be very costly if you become a victim of a scam that trades on the image or the mission of the IRS. Everyone should be vigilant in protecting personal, financial and tax information.

The IRS has these tips to avoid falling prey to con artists.

Watch your personal and financial information very closely, particularly during electronic transactions. The IRS is among a growing group of government agencies and corporations whose names and Web sites are being copied by imposters posing employees conducting official business and seeking your personal information. Be aware that the IRS does not use e-mail to initiate contact with taxpayers about their accounts. Do not open links in unsolicited messages claiming to come from the IRS.

Not all scams come by way of the Internet or email. The telephone is a low-tech source of scams. Do not give away personal information to callers claiming to be from the IRS unless you have verified their caller's identity. You can confirm an IRS contact by calling 800-829-1040.

Thieves can use stolen personal data to access your financial accounts, run up charges on credit cards or apply for new loans. With a stolen identity a con-artist might try to use your Social Security Number to intercept your refund or falsify employment records leaving the IRS with the impression that you do not report all of your income.

Some con artists earn their living by preparing false, and illegal, tax returns. Make certain that all of the information on your tax return is accurate since you are responsible for its content regardless of who prepares your return.

Dishonest return preparers, promising unreasonably large refunds, can cause many headaches for you. Such preparers attract new clients by promising large refunds while skimming a portion of the inflated refunds and charging high fees for preparation services. Choose carefully when you hire a tax preparer. As the saying goes, if it sounds too good to be true, it probably is.

In contrast to shady tax preparers, some con artists openly tell you that you do not have to pay taxes. Be wary of anyone who encourages you to side-step your responsibility to file an income tax return or to pay the proper amount of tax due.

Some promoters make outlandish claims that taxes are not legal, that wages are not income, that a voluntary tax system means you can choose not to file or pay and that income tax returns violate your protection against self-incrimination or the right to privacy. Often these promoters will use techniques that are strikingly similar to any other con-artist to charge a high fee to share their "secrets" with you. Such arguments are false and have been repeatedly thrown out of court. You may end up paying for this mistake twice, first when you pay for the bad advice and second when you are faced with a higher tax bill plus penalties and interest.

Don't be scammed when it comes to your taxes. For more information about these and other tax scams visit the IRS Web site at [IRS.gov](http://IRS.gov).