

TAXES

IRS Back Taxes Scam Call Steals Millions

IRS fakes are cheating thousands of people out of “overdue tax debt.” Are you next?



(Image credit: Getty Images)

Once you hand over your financial information, a scammer can drain your bank account quickly. The Federal Trade Commission (FTC) estimates IRS imposters have stolen almost five million dollars in the last five years.

But there's increased danger today as thieves pretending to be IRS agents work smarter, not harder. These con artists are targeting people like you with information they already know.

We'll cover who scam artists are targeting and how to avoid becoming one of their victims.

Back taxes scam call

This is how the latest scam goes. You will be told an IRS agent is calling because you owe back taxes that you must pay promptly through wire transfer or gift card. The supposed “agent” will have fake credentials and a bogus name. What's most shocking is that they may even know a lot about you.

Scammers will make the caller ID look like the IRS is calling you.

The hope is that you will comply with the scammer's instructions and hand over your personal information or money.

If you don't comply, they may become aggressive and threaten to:

- Arrest or deport you
- Suspend your business or driver's license

They'll also typically pressure you with targeted methods (more on that below).

Why am I getting tax debt relief calls?

According to the IRS, Scammers often seek to exploit an attribute you might have, such as:

- A hearing or vision impairment
- Speaking English as a second language
- Cognitive issues sometimes associated with older age

For example, if you are hard of hearing, a thief may use a video relay service and make themselves seem more legitimate through an interpreter. Or, if you speak English as a second language, a scammer could call you in your native language and threaten you with a police arrest.

Will the IRS ever call you on the phone?

So how can you protect yourself or people you know might be targets of this back tax call scam or other similar scams?

Stay up to date on what the IRS doesn't do. The tax agency will never:

- Call for payment without first mailing you a letter
- Ask for payment via email or demand immediate payment through gift card or wire transfer
- Threaten to bring you into the police or have you arrested
- Not allow you to appeal your case
- Ask for credit or debit card information over the phone
- Leave an urgent callback message after unexpectedly calling you

Tip: if the scammer claims to be part of a business, you can search for that business on the Better Business Bureau (BBB) to check its legitimacy. You can also compare a company to the IRS' list of trusted partners to see if the IRS has a relationship with them.

What is the best way to pay back taxes?

If you do owe back taxes, generally the IRS will mail you first with a bill. But if you're still unsure, you can follow these steps:

- Visit your online IRS account to view your balance
- Check your tax account for the year(s) in question
- View any tax records on file

How to stop tax relief scam calls?

The IRS recommends filing a complaint with the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484.

You can also report fraud at www.tgita.gov or file a complaint online with the Federal Communications Commission (FCC) or the Federal Trade Commission (FTC).

Mostly, stay vigilant.

Contact the IRS immediately if you fall victim to a scam. And if you're unsure about how much tax you owe or whether you owe any back taxes, consult with a tax attorney or other trusted tax professional.

The IRS also offers free tax counseling services. Check out the Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE) programs for more info.

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