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IRS Scams Targeting Americans At Home And Abroad

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Thousands of people are losing millions of dollars to fake IRS communications. In August 2016, a federal law enforcement official speaking on condition of anonymity said “70 to 90 percent of IRS scam payments have migrated to iTunes cards.” It is not as crazy as it sounds because the criminals are “amygdala hijacking,” a term coined by Dr. Daniel Goleman, to explain the immediate shut down of logic when exposed to fear and anger. A reasonable person would become afraid when the IRS agent tells you that you owe thousands of dollars in taxes and will lose your home and car, or be arrested or deported if you don’t immediately pay.

Even though the Department of Justice remains committed to identifying and prosecuting individuals behind IRS impersonation and telephone fraud tax schemes. Callers claiming to be IRS employees tell victims they owe money to the IRS and it must be paid immediately through a pre-loaded debit card or wire transfer. If the victim refuses to cooperate, they are then threatened with arrest, deportation or suspension of a business or driver’s license. In many cases, the caller becomes hostile and insulting. An alternative scheme to extract private information is to tell the victims they have a refund due. If the phone isn't answered, the scammers often leave an “urgent” callback request.

The IRS has warned that it initiates contact with taxpayers only by paper mail, so an unexpected phone call from someone claiming to be with the IRS should be ignored. The IRS will never call you unexpectedly or tell you to use payment cards such as gift cards. The IRS does accept payment via credit and debit cards, but says on its website that it will never demand a specific type of payment. If you answer a call that seems suspicious, then you should hang up as quickly as possible. A scammer is unlikely to call back.