

Identity Theft

 dornc.com/individual/identitytheft.html

Introduction

Tax fraud and refund theft are serious challenges. The NCDOR is committed to protecting taxpayer identity information and making sure thieves do not steal refunds.

For 2016, the IRS, North Carolina and other states, and the tax industry joined together to [enact new safeguards](#) and take additional actions to help combat tax-related identity theft.

Many of the new safeguards will be invisible to taxpayers, but invaluable in the fight against these criminal syndicates. In order to minimize incidence of identity theft, processing times for state tax returns and refunds may be lengthened.

[How identity theft affects you and your taxes](#)

[How to reduce your risk of identity theft](#)

[How to report identity theft if it happens to you](#)

[More identity theft resources](#)

How identity theft affects you and your taxes

Identity theft happens when your name and social security number (SSN) are stolen and used fraudulently. This can include filing a tax return, making purchases, obtaining credit cards or loans, committing crimes, obtaining employment, establishing bank accounts, and obtaining housing or medical services. Any of these fraudulent activities could result in financial debt and unfavorable entries on your credit report. Children and deceased persons with SSNs can also become victims of identity theft.

Often you are unaware your identity has been stolen until you attempt to file your own tax return and learn that one has already been filed using your SSN. This leaves you faced with the daunting task of clearing your name and credit history by providing countless documents to prove your identity, and causes an extended waiting period for your tax refund, if any, to be processed. Additionally, in many instances fraudulent refunds cannot be recovered, and negatively impact state resources.

How to reduce your risk of identity theft

Follow these guidelines to help reduce the risk of having your identity stolen:

- Don't carry identification with your SSN on it
- Keep personal and confidential information in a secure place
- If you are asked for your SSN by a business or other organization, ask why and provide it only if absolutely

necessary (because it's not always required)

- Unless you initiated the contact, never give personal information over the phone or electronically
- Protect your personal computer by using anti-virus software - use firewalls and install updates for security software
- Change account passwords frequently, using account guidelines and best practices for password management
- Check your credit report annually
- Monitor your wage earnings by examining your statements from the Social Security Administration (SSA)
- Take extra precaution when discarding personal or confidential information

Tax return filing tip:

- File early! Although filing early does not guarantee that your identity will not be stolen, it may help prevent an attempt at stolen-identity tax fraud (if you file before the thief attempts to file using your stolen identity).

How to report identity theft if it happens to you

The NCDOR takes identity theft very seriously and knows it is an extremely frustrating event for victims. If you are a victim of tax-related identity theft, review the following helpful information about the documentation you will need to provide in order for us to assist you.

To begin the process of resolving possible tax issues that may arise from identity theft, ask yourself the three questions below:

1. What information/documents do I need to gather?

- Collect the following four documents

1. A copy of your valid federal- or state-issued photo identification. Examples include the following:

- State driver's license or state identification card
- Passport
- U.S. military identification card

| *and*

2. A copy of your social security card

3. Copies of all wage and tax statements issued to you during the year(s) in question

4. A copy of your completed [NC-TA/IT, Identity Theft Affidavit](#)

- Next, write a letter including the following:

- A summary of your case
- Your contact information

2. Where do I send the necessary documentation?

Mail or fax the required four documents and your letter to the NCDOR.

- Mail:
NCDOR Office of the Taxpayer Advocate/IT
514 Daniels Street #409
Raleigh, NC 27605
- Fax:
NCDOR Office of the Taxpayer Advocate/IT
919-715-0909
- Contact us:
If you have questions or want to talk with an NCDOR identity theft specialist, please call voicemail 919-715-0195 and leave your name and phone number, question or issue, and a good time for a call back.

3. What happens after I submit my documentation?

Once you submit the four forms of documentation and your letter of explanation, we verify the documents and take appropriate steps to correct your tax account(s).

- If you cannot submit all four forms of documentation, submit the documentation you have, along with a letter explaining that you are seeking the additional documentation and will furnish upon receipt. Continue to seek copies of the documents you are missing.
- When your letter and initial documents are received, the NCDOR puts a hold on your tax account(s) for 90 days while you obtain and submit the remaining documentation.

You will be contacted by the NCDOR if additional information is required or when your tax account(s) have been corrected.

More identity theft resources

