

WATCH OUT FOR TAX SCAMS



As scary as the real IRS is, the fake IRS is worse – and far too many people fall for tax scams from bogus IRS agents. Here is what you need to know to detect and avoid these illegitimate tricks.

Telephone Scam

You answer the phone and the caller identifies himself or herself as an IRS agent, and even gives you their identification badge number. You glance at the caller ID on your phone and it says the call is coming from the IRS. The caller starts mentioning and accurately describing some of your personal information, so now you're convinced this is for real. The caller then proceeds to inform you that you owe money to the IRS.

Your mind starts racing and perhaps you think about a somewhat dubious deduction you claimed or some income you forgot to report.

You begin to question or argue with the caller but they get hostile and hurl some insults, and you cower, trembling a bit. Unless payment is made immediately, you are informed, your business or driver's license may be suspended or your paycheck frozen. But, you can clear this tax debt immediately by making payment to the IRS with a bank wire transfer or through a debit card.

What should you do?

Do not fall for this scam.

A few important things to know about the real IRS:

- * They will never call to demand immediate payment.
- * They will never call about taxes you owe without first having mailed you a bill.
- * They will never demand that you pay taxes without giving you the opportunity to question or appeal the amount they say you owe.
- * They will never require you to use a specific payment method for taxes you owe, such as a prepaid debit card.
- * They will never ask for credit or debit card numbers over the phone.
- * They will never threaten to bring in local police or other law-enforcement groups to arrest you for

not paying taxes.

Email Scam

In addition to these sham phone calls, some taxpayers have received unsolicited emails that appear to come from the IRS. The email may claim that you owe money and threaten you with an audit. However, it might also state that you are due a tax refund and even direct you to a sham website that looks very real and legitimate. The scammer's goal is to lure their victims into giving up their personal and financial information. They will use this information to try and steal your money and your identity.

For more information, go to the IRS website at www.irs.gov and then look under "news and resources" and follow the links to "tax scams."

If you think you do owe taxes, you should contact the IRS yourself, directly. You may want to enlist the assistance and advice of a CPA, enrolled agent or other tax professional.

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