



IRS-Criminal Investigation Law Enforcement Bulletin

Identity Theft and Tax Refund Fraud

In an effort to support the state and local prosecutions of tax related identity theft, the IRS has developed the Law Enforcement Assistance Program (LEAP). Many criminals have engaged in schemes utilizing stolen identities to file fraudulent tax returns and receive significant refunds. Fraudulent refunds are received from the IRS in three forms:

United States Treasury Refund Checks, Stored Value Cards, and Direct Deposits.

Many law enforcement agencies have uncovered evidence of these schemes during investigations (narcotics, fraud), traffic stops, debriefing of informants, arrests, and search warrants for unrelated offenses.

Items to look for:

- Listings of names, social security numbers, and addresses;
- Multiple forms of identification including driver's licenses, birth certificates, social security cards;
- Bank statements listing multiple refunds deposited into accounts;
- Multiple federal refund checks and/or stored value cards in multiple names going to the same address or multiple addresses
- Federal tax forms and/or correspondences to or from the IRS in multiple names;
- Individuals who allege to be return preparers as an explanation for possessing the items listed above;
- Individuals who are offering refund check cashing services out of a location other than a storefront or individuals who are willing to pay a large fee for the negotiation of refund checks.
- Burglaries and/or thefts reported at tax preparation businesses.

If you identify any of the above indicators of identity theft or tax refund fraud, and would like to participate in the IRS **Law Enforcement Assistance Program (LEAP)** please contact your local **IRS-CI office**. The IRS-CI Duty Agent will respond as soon as possible to assist your agency and evaluate the information obtained. Additional information can be obtained at www.irs.gov, key word "identity theft".

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