

IRS News Release

Media Relations Office

Washington, D.C.

Media Contact: 202.622.4000

www.irs.gov/newsroom

Public Contact: 800.829.1040

IRS Intensifies National Crackdown on Identity Theft; Part of Wider Effort to Protect Taxpayers, Prevent Refund Fraud

IRS YouTube Videos

ID Theft: Protect Yourself from Identity Theft [English](#) | [Spanish](#) | [ASL](#)

ID Theft: Are You a Victim of Identity Theft? [English](#) | [Spanish](#) | [ASL](#)

Podcasts

ID Theft: Protect Yourself from Identity Theft [English](#) | [Spanish](#)

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WASHINGTON – Continuing a year-long enforcement push against refund fraud and identity theft, the Internal Revenue Service today announced the results of a massive national sweep in recent weeks targeting identity theft suspects in 32 states and Puerto Rico, which involved 215 cities and surrounding areas.

The coast-to-coast effort against 389 identity theft suspects led to 734 enforcement actions in January, including indictments, informations, complaints and arrests. The effort comes on top of a growing identity theft effort that led to 2,400 other enforcement actions against identity thieves during fiscal year 2012.

The January crackdown, a joint effort with the Department of Justice and local U.S. Attorneys offices, unfolded as the IRS opened the 2013 tax season. IRS Criminal Investigation expanded its efforts during January, pushing the total number of identity theft investigations to more than 1,460 since the start of the federal 2012 fiscal year on Oct. 1, 2011.

“As tax season begins this year, we want to be clear that there is a heavy price to pay for perpetrators of refund fraud and identity theft,” said IRS Acting Commissioner Steven T. Miller. “We have aggressively stepped up our efforts to pursue and prevent refund fraud and identity theft, and we will continue to intensely focus on this area. This is part of a much wider effort underway for the 2013 tax season to stop fraud.”

The national effort with the Justice Department and other federal, state and local agencies is part of a larger, comprehensive identity theft strategy the IRS has embarked on that is focused on preventing, detecting and resolving identity theft cases as soon as possible.

The identity theft effort – which intensified in January as the 2013 filing season opened – involved 734 enforcement actions related to identity theft and refund fraud. The effort led to actions taking place throughout the country involving 389 individuals. The effort included 109 arrests, 189 indictments, informations and complaints, as well as 47 search warrants.

In addition to the criminal actions, IRS auditors and criminal investigators conducted a special compliance effort starting on Jan. 28 to visit 197 money service businesses to help make sure these businesses are not assisting identity theft or refund fraud when they cash checks. The compliance visits occurred in 17 high-risk places identified by the IRS covering areas in and surrounding New York, Philadelphia, Atlanta, Tampa, Miami, Chicago, Houston, Phoenix, Los Angeles, San Diego, El Paso, Tucson, Birmingham, Detroit, San Francisco, Oakland and San Jose.

A map of the locations and additional details on the January enforcement actions and compliance visits are available on IRS.gov. The latest updates on the identity theft enforcement efforts and individual cases are available on a special [Identity Theft Schemes](#) page on IRS.gov. More information on enforcement actions can be found on a [DOJ Tax Division page](#).

The identity theft push over the last several weeks reflects a wider effort underway at the IRS. Among the highlights:

- The number of IRS criminal investigations into identity theft issues more than tripled in fiscal year 2012. The IRS started 276 investigations in fiscal year 2011, a number that jumped to 898 in fiscal year 2012. So far in fiscal year 2013, there have been more than 560 criminal identity theft investigations opened.
- Total enforcement actions continue to rapidly increase against identity thieves. This category covers actions ranging from indictments and arrests to search warrants. In fiscal year 2012, enforcement actions totaled 2,400 against 1,310 suspects. After just four months in fiscal 2013, enforcement actions totaled 1,703 against 907 suspects.
- Sentencings of convicted identity thieves continue to increase. There were 80 sentencings in fiscal year 2011, which increased to 223 in fiscal year 2012.
- Jail time is increasing for identity thieves. The average sentence in fiscal year 2012 was four years or 48 months – a four-month increase from the average in fiscal year 2011. So far this fiscal year, sentences have ranged from 4 to 300 months.

More information on IRS Criminal Investigation efforts is available on IRS fact sheet FS-2013-12.

In addition to the national “sweeps” effort announced today, IRS work on identity theft and refund fraud continues to grow. For the 2013 filing season, the IRS has expanded these efforts to better protect taxpayers and help victims.

To stop identity thieves up front, the IRS has made a significant increase for the 2013 tax season in the number and quality of identity theft screening filters that spot fraudulent tax returns before refunds are issued. The IRS has dozens of identity theft screens now in place to protect tax refunds.

These efforts helped the IRS in 2012 protect \$20 billion of fraudulent refunds, including those related to identity theft, compared with \$14 billion in 2011.

By late 2012, the IRS assigned more than 3,000 IRS employees — over double from 2011 — to work on identity theft-related issues. IRS employees are working to prevent refund fraud, investigate identity theft-related crimes and help taxpayers who have been victimized by identity thieves. In addition, the IRS has trained 35,000 employees who work with taxpayers to recognize identity theft indicators and help people victimized by identity theft.

“We are strengthening our processing systems to watch for identity theft and detect refund fraud before it occurs,” Miller said. “And we continue to put more resources on helping people who are victims of identity theft and resolve these complex cases as quickly as possible.”

Taxpayers can encounter identity theft involving their tax returns in several ways. One instance is where identity thieves try filing fraudulent refund claims using another person’s identifying information, which has been stolen. Innocent taxpayers are victimized because their refunds are delayed.

To help taxpayers, the IRS has a special section on IRS.gov dedicated to identity theft issues, including YouTube videos, tips for taxpayers and a special guide to assistance. For victims, the information includes how to contact the IRS Identity Protection Specialized Unit. For other taxpayers, there are tips on how taxpayers can protect themselves against identity theft.

If a taxpayer receives a notice from the IRS indicating identity theft, they should follow the instructions in that notice. A taxpayer who believes they are at risk of identity theft due to lost or stolen personal information should contact the IRS immediately so the agency can take action to secure their tax account. The taxpayer should contact the IRS Identity Protection Specialized Unit at 800-908-4490. The taxpayer will be asked to complete the IRS Identity Theft Affidavit, [Form 14039](#), and follow the instructions on the back of the form based on their situation.

Taxpayers looking for additional information can consult the [special identity protection page](#) on IRS.gov.