Common Types of Theft: Housing Rentals, Tax Returns, and More

In This Article
- Stop thieves before problems become devastating
- Check for criminal records and collections notices on your credit reports
- Consult with an attorney if you cannot clear your record and name

One of the most widely known types of identity theft is credit card fraud, accounting for 17 percent of all identity theft-related complaints, according to the FTC 2010 Sentinel Report. The “how-to’s” of nipping credit card theft in the bud are relatively well known: keep your Social Security number private, review your credit card statements and credit report, and cancel any compromised accounts.

But what about other types of fraud? How are identities stolen and used the other 83 percent of the time?

Utility Thieves
Thieves prey on victims with strong credit records to secure free cable television, electricity, gas, or long distance. To keep themselves off the radar, identity thieves give billing companies bogus addresses and, of course, never pay the bills.

Generally, utility bills are kept open for several months past the due date, and they are not included on a credit report until they have been turned over for collections, at which time the late bill causes the victim’s credit score to plunge. By the time a victim learns of the identity fraud, the utility thief is long-gone and preying on someone else.

The best way to address utility thieves is to review your credit report quarterly. Contrary to popular belief, you will not hurt your credit score by requesting your own credit report. If you plan to make a large purchase in the near future, pull your credit report monthly to make sure no false information has compromised your score.

If a collection account for a bill you did not open appears on your credit report, contact the original creditor and ask to speak with the fraud department. Many utility companies, especially telephone service providers, have an established system to handle identity theft complaints. If the utility company does not, notify the Public Utilities Commission for your state.

Also contact the company hired to collect the bad debt, as well as the three credit-reporting bureaus: Experian®, Equifax®, and TransUnion®.
**Tax Return Thieves**
Keeping your Social Security number private is among the first items on any checklist for preventing identity theft. If an identity thief gets a victim’s Social Security number, damages can be considerable and likely.

Imagine, for instance, that an identity thief files a fraudulent tax return on your behalf. If the IRS receives the fraudulent return before you file, the IRS will send your hard-earned refund check to the first person to file the return: the identity crook!

**Benefit Thieves**
Government-funded programs often require only a name and Social Security number, so a thief with this basic information could apply for benefits in a victim’s name. You, and the government, may not find out unless you attempt to apply for the same benefits.

**House Thieves**
Among the most brazen of identity crooks are those who set up an entire household in someone else’s names. Often, these thieves have low credit scores and can’t rent on their own. So long as they pay their rent on time and in full, this thievery may not hurt your credit. However, if a house thief is evicted, your credit score will suffer. And, if they are stealing your identity to rent a home, you can bet they have also used your Social Security number to open utility accounts they will not pay.

**Job Thieves**
Surprisingly, identity thieves with poor credit or criminal records can use another person’s name and Social Security number to apply for a job. Illegal immigrants desperate for employment are also known to steal a victim’s identity to secure a job. Though these thieves are often not malicious, their criminal behavior does hurt your tax status. Employers will report the income—income you did not take home—to the IRS, who in turn might come after you for failing to report all of your income.

If you suspect you are a victim of a job thief, contact the IRS immediately, as well as the employer from whom you supposedly received wages.

**Bank Account Thieves**
Using your personal information, an identity thief might be able to open a bank account, especially if the crook needs to deposit pay checks or tax returns in your name. Bank account thieves can also write bad checks and apply for loans in your name. In the time the bank needs to freeze the account, the thief can rack up huge debt in your name. This fraudulent behavior can result in criminal charges, depending on the amount and frequency of the checks.

**Criminal Record Thieves**
Many identity thieves use their victim’s Social Security number to apply for driver’s licenses or state-issued identification cards. If a criminal is arrested and uses a license or identification card in your name, he can create a nightmare that extends beyond your credit score and financial reputation. Imagine, for instance, that the thief uses an identification card to pin a crime on you. If the criminal is
released and later expected to attend court, you can bet he won’t appear, and the courts will issue a warrant in your name.

If a criminal is harming your record and reputation, consult with an attorney immediately. Contact the governmental agency that issued the identification card and follow its procedures on canceling fraudulent documents. Be sure to ask the agency to flag your file to make sure that no other identification cards are issued in your name.

In severe cases of identity theft, victims must hire attorneys, replace their Social Security numbers, and spend thousands of dollars trying to regain their identities. Not all identity theft can be avoided, but if you take the proper precautions and use efficient detection methods, you can likely stop thieves before the problems becoming devastating.

Remember to:

• Review your credit report at least quarterly.

• Keep your Social Security number private.

• Help protect yourself and your family by investing in an identity theft protection product, such as ProtectMyID™, which will monitor your personal information and alert you to key changes. You can also monitor and protect your children’s identities as well.

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