

BE AWARE OF COMMON TAX SCAMS

Texas CPAs warn tax filers to be aware of tax scams this time of year. Con artists have come up with a variety of ways to pose as the Internal Revenue Service (IRS) and other tax services by contacting you through email or by the telephone.

The IRS warns you to beware of these common schemes:

Return Preparer Fraud

Dishonest tax return preparers attract clients by promising large returns; when in reality, they derive financial gain by keeping a portion of their client's refunds and charging inflated fees for return preparation services. Choose carefully when selecting a tax preparer. And remember, no matter who prepares your tax return, you are ultimately responsible for its accuracy and for any tax bill that may arise due to a questionable claim.

Identity Theft:

Identity thieves have used stolen personal data to run up charges on credit cards, apply for loans and more. The IRS is aware of several scams involving taxes or scammers posing as the IRS itself. Know that identity thieves are already using the recent stimulus rebate as a scam. It is important that you also know that the IRS does not use email to contact taxpayers about issues related to their account. If you have any doubt whether a contact from the IRS is authentic, call 800-829-1040 to confirm it.

Frivolous Arguments:

Promoters have been known to make the following outlandish claims:

- Wages are not considered income
- Filing returns and paying taxes are merely voluntary
- Being required to file Form 1040 violates the Fifth Amendment right against self-incrimination or the Fourth Amendment right to privacy

Do not believe these or similar claims, such arguments are false and have been thrown out of court.

The IRS suggests you remember three important guidelines:

You are responsible and liable for the content of your tax return. Anyone who promises you a bigger refund without knowing your tax situation could be misleading you, and never sign a tax return without looking it over to make sure it is accurate.

Remember that the official IRS government Web site ends in .gov. Do not be fooled by other sites that end in .com, .net, .org, or any other designation.

For more information about these and other tax scams visit www.irs.gov.