Coronavirus stimulus checks: IRS announces Dirty Dozen Tax scams

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Years 2020 and 2021 (so far) have been unforgettable years for many, both emotionally and financially. For scammers also it has been an unforgettable year, but in another way. Even though business was down, the distribution of coronavirus stimulus checks gave fraudsters plenty of opportunities to carry out scams.

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Coronavirus stimulus checks related scams on the rise

The IRS, on Tuesday, came up with its 2021 "Dirty Dozen" warning list of tax scams. This list includes several scams related to stimulus payment thefts.

This year's list breaks down the twelve scams into four categories. These categories are: personal information scams, schemes that persuade taxpayers into unscrupulous actions, pandemic-related scams and ruses focusing on unsuspecting victims. As per the agency, it will detail the items on the

list over the next few days.

The agency, however, warned that it continues to see the threat of scammers duping users of their personal information to steal Economic Impact Payments.

“We continue to see scam artists use the pandemic to steal money and information from honest taxpayers in a time of crisis,” IRS Commissioner Chuck Rettig, said in a statement.

Apart from stealing Economic Impact Payments, another pandemic-related scam that many fell for was related to unemployment. Scammers filled out fraudulent claims for unemployment benefits using stolen personal information of people who had not filed the claims.

To watch out for unemployment related scams, the agency recommends looking out for Form 1099-G.

Tips to identify scams

The IRS has also come up with tips to help users identify or watch out for scams.

As per the IRS, people should not click any link or verify data from any text message, phone call or email asking for bank account information. Also, people should not open any attachment of such emails. The IRS requests that people delete such messages and emails.

The IRS also warns people to watch out for mailbox theft, and report suspected mail thefts to Postal Inspectors.

Further, the agency informs that it doesn’t contact anyone by phone, text message, email or social media to ask for personal or financial information. Also, the agency notes that taxpayers must always visit the IRS’ official website for refunds, payments and other tax information.

For added protection, the agency informs that it has made available its Identity Protection PIN (IP PIN) program to all taxpayers. Earlier, this protection was available only to the victims of ID theft or to certain taxpayers.

The IP PIN is a six-digit code that is known only to the IRS and taxpayers. Thus, it prevents scammers from filing fraudulent tax returns using the taxpayer’s personal information. If an electronic return doesn’t have the correct IP PIN, it will be rejected. The paper returns, on the other hand, will go through “additional scrutiny for fraud,” the IRS says.

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