



Rhode Island Department of Revenue Division of Taxation

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Tax Administration

ADVISORY FOR TAX PROFESSIONALS
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Tax preparers targeted in new scams

PROVIDENCE, R.I. – The Rhode Island Division of Taxation warns the tax preparer community of two dangerous scams targeting tax professionals.

Scam 1 – Electronic Filing Identification Number (EFIN) scam

Criminals are posing as various tax preparation software companies. They are using the preparer’s trust in the company to steal important information.

The criminal will send an email to a tax professional claiming to be a software provider that needs to verify EFIN owners. The email will request EFIN documents, under the guise of preventing fraudulent returns. In fact, these criminals are using preparers’ diligence in preventing fraud to attempt to commit fraud.

The email may say something like “our records show that we do not have a document for one or more of the EFINS that you transmit with.” The criminal states that until the preparer verifies their FEIN, they will not be able to transmit returns.

The faux-vendor’s email will likely include a phone number with a US area code and request that the preparer fax EFIN documents to that number.¹ Some instances of this scam even provide instructions for the preparer to obtain legitimate EFIN documentation from the IRS.²

Inconsistencies in the wording of the email are a good indication that this scam is being attempted. One common inconsistency is a footer at the bottom of the email in a different language than the body of the email. Another often-seen discrepancy is the use of the names of two different and unaffiliated software vendors within the same email.

A copy of one of these scam emails is included on the last page of this document. The Division requests that preparers familiarize themselves with this scam to better guard against it.

¹ Several fraudulent fax numbers are in use for this scam. The emails may include a fax number with the (631) area code, or Eastern Long Island, NY.

² Emails may contain the legitimate IRS e-Services phone number: (866) 255-0654.

Scam 2 – “new client” scam

A pervasive “phishing” scam primarily targeting preparers is also on the rise. In this filing season-related scam, identity thieves are posing as potential new clients needing assistance with their tax filing obligations.

The criminal posing as a new client emails the preparer with attachments or links that they claim are routine informational documents. When the preparer opens the attachments or clicks the links, the preparer’s computer becomes infected with a “malware” program that steals information such as login credentials and sensitive client information. With this information, the criminals can file fraudulent returns, open fraudulent credit cards or bank accounts, and otherwise compromise the identities of preparers and clients.

This scam is a popular choice among criminals. Last year, “new client” scams in this style accounted for a large portion of the fraudulent activity targeted at preparers.

Resources

The best way to protect yourself and your clients is to exercise caution in your online activities.

Please report any attempts of criminal scam and phishing activity to the Division of Taxation at tax.assist@tax.ri.gov, and the IRS at phishing@irs.gov.

Information on responding to identity theft and identity theft attempts can be found in the Division’s [ADV 2022-02](#).

The IRS also provides many resources for tax professionals including the following web pages:

- Identity Theft Information for Tax Professionals:
<https://www.irs.gov/identity-theft-fraud-scams/identity-theft-information-for-tax-professionals>
- Data Theft Information for Tax Professionals:
<https://www.irs.gov/individuals/data-theft-information-for-tax-professionals>

The Rhode Island Division of Taxation, part of the Rhode Island Department of Revenue, is open to the public from 8:30 a.m. to 3:30 p.m. business days. For more information, contact the Division of Taxation at (401) 574-8829 or see <https://tax.ri.gov/about-us/contact-us>.

Fraudulent email example

Dear [recipient_email_address],
Help us protect you.

Because many Electronic Filing Identification Numbers (EFINs) are stolen each year and used to file fraudulent tax returns, the IRS has asked software vendors, such as Software A, to verify who the EFIN owner is by getting a copy of the IRS issued EFIN document(s). Our records show that we do not have a document for one or more of the EFINs that you transmit with.

What this means for you: Until your EFIN is verified, you will be unable to transmit returns. Please provide a copy of your EFIN Account Summary from IRS e-Services, with a status of 'Completed', to Software B for verification.

To send us your EFIN Summary document:

1. Fax to Software B at 631-995-5984

PLEASE NOTE THAT YOUR PREPARER TAX IDENTIFICATION NUMBER (PTIN) APPLICATION CANNOT BE USED AS DOCUMENTATION FOR YOUR EFIN.

If you do not have the above documentation you can get a copy of your IRS Application Summary from IRS e-Services by following the below steps or call the IRS e-Services helpline at 866-255-0654.

1. Sign in to your IRS e-Services account
2. Choose your organization from the list provided and click Submit
3. Click the Application link to access your existing application
4. Click the e-File Application link
5. Select the existing application link that applies to your organization
6. Click the Application Summary link for the area of the application you wish to enter
7. Click the Print Summary link at the bottom of the summary presented on the screen

If you have any questions please contact the Compliance Department at xxx-xx-xxxx for assistance.

Thank you for your business. We look forward to serving you this coming season.

Software B (edited)