



Rhode Island Department of Revenue

Division of Taxation

ADV 2017-11
TAX ADMINISTRATION

ADVISORY FOR TAX PROFESSIONALS
MARCH 17, 2017

Last-minute email scams target tax professionals

Cybercriminals seek to divert refunds by changing direct deposit information or addresses

PROVIDENCE, R.I. – The Rhode Island Division of Taxation, the Internal Revenue Service, and others issued a warning today for tax preparers and taxpayers about last-minute phishing email scams, especially those scams requesting deposit changes for refunds or account updates.



For example, in one of the new scams, criminals posing as taxpayers ask their tax preparer to make a last-minute change to their refund destination – often to a criminal's prepaid debit card.

Federal and state tax officials urge tax preparers to verbally reconfirm information with the client should the preparer receive a last-minute email request to change an address or direct deposit account for refunds.

The IRS, the Rhode Island Division of Taxation, tax agencies from other states, and the tax industry are working together as the Security Summit, implementing a series of initiatives to help guard against refund fraud and tax-related identity theft. Security Summit partners note that cybercriminals worldwide are actively targeting tax professionals in an effort to steal taxpayer information.

Security Summit partners warned today that, as the 2017 personal income tax filing season winds down to the April 18, 2017, filing deadline, tax-related scams of various sorts are at their peak. The Security Summit partners urged tax professionals and taxpayers to be on guard against suspicious activity.

The Security Summit partners have put in place many safeguards for 2017, but cybercriminals are ever-evolving and make use of sophisticated scams to trick people into divulging sensitive data. Security Summit partners also suggest that tax preparers change and strengthen their own email passwords to better protect the email accounts they use to exchange sensitive data with clients.

This is also the time of year when taxpayers may see scam emails masquerading as their tax software provider or others asking them to update online accounts. Taxpayers should learn to recognize phishing emails, calls, or texts that pose as familiar organizations such as banks, credit card companies, tax software providers, or even the IRS or state tax agencies. These ruses generally urge taxpayers to give up sensitive data such as passwords, Social Security numbers, and bank account or credit card numbers.

Taxpayers who receive suspicious emails purporting to be from a tax software provider or from the IRS should forward them to phishing@irs.gov. Remember: Never open an attachment or link from an unknown or suspicious source. It may infect your computer with malware or steal your information. Also, the IRS does not send unsolicited emails or request sensitive data via email.

The Security Summit has a public awareness campaign for taxpayers: “Taxes. Security. Together.” The Summit also maintains an awareness campaign for tax professionals: “Protect Your Clients; Protect Yourself.” Both campaigns are part of the Summit’s effort to combat identity theft. To learn more, use the following link: <https://www.irs.gov/uac/security-summit>.

Advisories alert taxpayers, tax professionals about cybercrime

The Rhode Island Division of Taxation, as part of its Security Summit effort, has now issued eight separate Advisories cautioning tax professionals and taxpayers about tax-related scams and about ways to fight identity theft and cybercrime. The Advisories include those listed in the following table:

Rhode Island Division of Taxation recent Advisories about tax-related scams, ID theft		
<i>Advisory number:</i>	<i>Title:</i>	<i>Issue date:</i>
2016-25	Strong passwords help combat ID theft	December 5, 2016
2016-26	Avoid phishing scams	December 6, 2016
2016-27	Tax preparers cautioned about cybercrime	December 7, 2016
2016-28	Numerous tax scams involve ID theft	December 8, 2016
2017-04	Tax season update: phishing	January 27, 2017
2017-05	Dangerous W-2 phishing scam	February 2, 2017
2017-07	New email scam targets preparers	February 17, 2017
2017-11	Last-minute email scams	March 17, 2017

All Advisories are posted on a special section of the Division’s website:
<http://www.tax.ri.gov/Advisory/index.php>

FOR MORE INFORMATION

The Division of Taxation is located on the first floor of the Powers Building, at One Capitol Hill, diagonally across from the Smith Street entrance of the State House. The Division is typically open to the public from 8:30 a.m. to 3:30 p.m. business days. Obtain forms and instructions at any time, day or night, through the Division of Taxation’s website: <http://www.tax.ri.gov/taxforms/>. The main phone number is (401) 574-8829. (For questions about personal income tax, choose option # 3.) To see a list of phone numbers and email addresses to various sections within the agency, use the following link: <http://www.tax.ri.gov/contact/>.

The Division of Taxation cannot directly respond to taxpayer inquiries via social media, such as Twitter and Facebook, because of State statutes protecting taxpayer confidentiality. For the same reason, individual taxpayer inquiries cannot be directly addressed when made through traditional media, such as TV stations and talk-show programs. The Division recommends using the contact information listed in this Advisory – including the email address, phone number, and office visit information. The Division also recommends checking the “Where’s My Refund?” interactive online tool: <https://www.ri.gov/taxation/refund/>.