

Rhode Island Department of Revenue Division of Taxation

ADV 2021-50 SECURITY SUMMIT ADVISORY FOR TAXPAYERS AND TAX PROFESSIONALS

DECEMBER 3, 2021

More than 70% of cyberattacks are aimed at small businesses

National Tax Security Awareness Week - Day Five

PROVIDENCE, R.I. – The Rhode Island Division of Taxation, the Internal Revenue Service (IRS), and the tax industry – working together as the Security Summit – urge businesses to be alert to cyberattacks aimed at gaining access to business data and customer information. The Summit partners have also provided steps to help businesses with tax-related issues concerning to identity theft.

Today marks the final day of the sixth annual National Tax Security Awareness Week. The Summit partners wish to close the week with a warning to businesses to use the strongest measures possible to protect their data and systems.

More than 70% of cyberattacks are aimed at businesses with 100 or fewer employees. Criminals target credit card or payment information, business identity information, and employee identity information.

This year it is especially important to be alert to any COVID-19 or tax-related phishing email scams. These email scams attempt to trick employees into opening embedded links or attachments. Criminals may masquerade as the IRS - IRS related scams may be sent to phishing@irs.gov and tax information should never be shared via email.

Employers should also continue to remain alert to Form W-2 theft schemes. This is a common scam, where often a criminal poses as a high-ranking company executive who emails payroll employees and asks for a list of employees and their W-2s.

There is a special reporting procedure for employers who experience the W-2 scam. It also may be found at <u>Identity Theft Central's</u> Business section.



Businesses are encouraged to follow these best practices from the Federal Trade Commission:

- Set security software to update automatically
- Back up important files
- Require strong passwords for all devices
- Encrypt devices
- Use multi-factor authentication

More information is available at FTC's Cybersecurity for Small Businesses website.

About the Security Summit The Security Summit consists of the IRS, state tax agencies, and the tax community -- including tax preparation firms, software developers, processors of payroll and tax financial products, tax professional organizations, and financial institutions. Partners in the Security Summit help protect taxpayers from identity theft and refund fraud. See https://www.irs.gov/newsroom/security-summit for more details.

The Rhode Island Division of Taxation 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 http://www.tax.ri.gov/contact/.