

## Table of Contents

<b>Identity theft and how it can affect tax returns</b> .....	<b>1</b>
TIGTA report finds tax identity theft continues to rise .....	1
No more than three refunds per account .....	2
Reporting theft to the IRS .....	2
IP PINs.....	2
IRS adopts final regulations allowing truncated TINs .....	2
<b>Efforts to combat theft</b> .....	<b>3</b>
Changes to access to Death Master File.....	3
Budget Act of 2013 closes loophole .....	3
IRS pilot program on identity theft .....	4
<b>How to avoid identity theft</b> .....	<b>4</b>
After theft has occurred – cleaning up the mess .....	5
Using the wrong form to report identity theft.....	6
Medical identity theft .....	8
<b>IRS’s 2014 “Dirty Dozen” list</b> .....	<b>8</b>
#1: Identity theft .....	8
#2: Pervasive telephone scams .....	9
#3: Phishing.....	10
#4: False promises of “free money” from inflated refunds .....	10
#5: Return preparer fraud .....	11
#6: Hiding income offshore.....	11
#7: Impersonation of charitable organizations.....	12
#8: False income, expenses, or exemptions.....	13
#9: Frivolous arguments.....	13
#10: Falsely claiming zero wages or using a false Form 1099 .....	14
#11: Abusive tax structures.....	15
#12: Misuse of trusts .....	15

### *Spidell’s Special Reports*

An online version of this Special Report is also included in a subscription to Spidell’s California Online Research Package. With your subscription, you receive 12 issues of *Spidell’s California Taxletter*<sup>®</sup>, and *Spidell’s Federal Taxletter*<sup>®</sup>, online access to Spidell’s Analysis and Explanation of California Taxes<sup>®</sup>, access to FTB, BOE, and EDD code and regulations, and many more special reports. Go to [www.caltax.com](http://www.caltax.com) and click on Publications for more information or to start a subscription.