

Knock, Knock. Who's There? The IRS and We'd Like to Come In and Speak with You at Your Home

By Roy Niedermayer

Haven't filed a tax return in a while and earn over \$100,000? You won't be able to hide for long. Recently, the Internal Revenue Service announced it will be stepping up efforts by "drop-in" visits to the homes of high-income taxpayers who have failed to file tax returns in prior years in an effort to increase tax compliance and further enforce collection. Sometimes the drop-ins are even unannounced.

Guess who won't be far behind? The scammers. We already know that the IRS does not call taxpayers, but sends letters, therefore you won't fall for the IRS telephone call scam. But wait! Now the IRS says it **will** call to make appointments for nonfilers. So how can you protect yourself and what should you do?

First, the IRS will send you letters in advance asking why you haven't filed, so it should not be a total surprise if you get a call. However, you should not deal with the IRS over the phone except to confirm an appointment. Be aware that the IRS will not ask you over the phone to pay overdue taxes, and certainly not with Bitcoin, gift cards sent to a non-IRS address, or ask for credit/debit card numbers. For more information on False Return Filing and Tax Refund Fraud scams, please see my previous blog "It's Tax Filing Season Again. Beware!"

Second, IRS Revenue Officers that are visiting taxpayers' homes will provide two official credentials both containing their IRS serial number and one their photo. You should request to see both of these credentials. They may discuss payment, but will provide you with a variety of options, including paying by check written to the United States Treasury. Most importantly, they will not threaten you with arrest or demand payment on the spot with some unusual form of payment. Legitimate Revenue Officers will explain how you can understand and meet your tax obligations. They should already have your prior tax information and your Social Security Number, so don't volunteer it first. Always remember to guard your Social Security number, your credit card numbers, your driver's license, and your banking information.

Better yet, if you know you are a nonfiler, call the IRS first at its toll-free number [800-829-1040] and come forward voluntarily. It will go a lot easier.

To report any impersonation scams, call 800-366-4484.