

Beware! Listen in on this tax-scam phone call

Listen in on a tax scam purporting to be from the IRS.

The Internal Revenue Service is warning taxpayers about groups pretending to be a charitable organization to attract donations from unsuspecting contributors. This scheme tops the agency's list of "Dirty Dozen" tax scams for the current filing season.

"When making a donation, taxpayers should take a few extra minutes to ensure their hard-earned money goes to legitimate and currently eligible charities," IRS Commissioner John Koskinen said in a prepared statement. "IRS.gov has the tools taxpayers need to check out the status of charitable organizations."

Compiled annually, the Dirty Dozen lists a variety of common scams that taxpayers may encounter at any time, but many of these schemes peak during filing season as people prepare their returns or hire someone to prepare their taxes.

The IRS offers taxpayers some basic tips when it comes to making charitable donations:

- Be wary of charities with names that are similar to familiar or nationally known organizations. Some phony charities use names or websites that sound or look like those of respected, legitimate organizations. IRS.gov has a search feature, [Exempt Organizations Select Check](#), which allows people to find legitimate, qualified charities to which donations may be tax-deductible.
- Don't give out personal financial information, such as Social Security numbers or passwords, to anyone who solicits a contribution from you. Scam artists may use this information to steal your identity and money. People use credit card numbers to make legitimate donations, but please be very careful when you are speaking with someone who called you.
- Don't give or send cash. For security and tax-record purposes, contribute by check or credit card or another way that provides documentation of the gift.

Although the IRS works closely with the Department of Justice to shut down these scam artists, threatening phone calls and email phishing schemes continue to be seen on a daily basis in states across the nation, IRS officials explain.

Here's a list of the IRS "Dirty Dozen" tax scams:

- **Phishing:** Taxpayers need to be on guard against fake emails or websites looking to steal personal information. The IRS will not send you an email about a bill or refund out of the blue. Don't click on one claiming to be from the IRS.
- **Identity theft:** Taxpayers need to watch out for identity theft, especially around tax time. The IRS is making progress on this front, but taxpayers still need to be extremely careful and do everything they can to avoid becoming a victim.
- **Fraudulent return preparers:** Taxpayers need to be on the lookout for unscrupulous return preparers. There are some dishonest preparers who set up shop each filing season to perpetrate refund fraud, identity theft and other scams that hurt taxpayers. Scam artists use flyers, advertisements and phony storefronts to solicit victims and spread the word of their "business" via community groups and churches.
- **Phone scams:** Aggressive and threatening phone calls by criminals impersonating IRS agents remains an ongoing threat to taxpayers. The IRS reminds taxpayers to guard against all sorts of con games that arise during any filing season.

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- **Offshore tax avoidance:** The recent string of successful enforcement actions against offshore tax cheats and the financial organizations that help them shows that it's a bad bet to hide money and income offshore. Taxpayers are best served by coming in voluntarily and getting their taxes and filing requirements in order.
- **Inflated refund claims:** Taxpayers need to be on the lookout for anyone promising inflated refunds. Taxpayers should be wary of

anyone who asks them to sign a blank return, promises a big refund before looking at their records or charges fees based on a percentage of the refund.

- Fake charities: Taxpayers should be on guard against groups pretending to be a charitable organization to attract donations from unsuspecting contributors. Contributors should take a few extra minutes to ensure their hard-earned money goes to legitimate and currently eligible charities. IRS.gov has the tools taxpayers need to check out the status of charitable organizations.

"The IRS is urging taxpayers not to give out money or personal financial information as a result of ... phone calls ... claiming to be from the agency."

- Hiding Income with fake documents: Hiding taxable income by filing false Form 1099 forms or other fake documents is a scam that taxpayers should avoid and guard against. The mere suggestion of falsifying documents to reduce tax bills or inflate tax refunds is a huge red flag when using a paid tax-return preparer.
- Abusive tax shelters: Taxpayers should avoid using abusive tax structures to avoid paying taxes. The IRS is committed to stopping complex tax-avoidance schemes and the people who create and sell them. When in doubt, taxpayers should seek an independent opinion regarding complex products they are offered.
- Falsifying income to claim credits: Taxpayers should avoid inventing income to erroneously claim tax credits. Taxpayers are sometimes talked into doing this by scam artists. Taxpayers are best served by filing the most accurate return possible, because they are legally responsible for what is on their return.
- Excessive claims for fuel tax credits: Taxpayers need to avoid improper claims for fuel tax credits. The fuel tax credit is generally limited to off-highway business use, including use in farming. Consequently, the credit is not available to most taxpayers.
- Frivolous tax arguments: Taxpayers should avoid using frivolous tax arguments to avoid paying their taxes. Promoters of frivolous schemes encourage taxpayers to make unreasonable and outlandish claims to avoid paying the taxes they owe. These arguments are wrong and have been thrown out of court. While taxpayers have the right to contest their tax liabilities in court, no one has the right to disobey the law or disregard their responsibility to pay taxes.

—By Jim Pavia, senior editor at large, CNBC.com