

**6 February 2012**

**Stop ID Theft NOW**

**Petition**

We urge the Obama Administration to:

**Take immediate steps that would curtail the filing of fraudulent tax refund claims based upon identity theft from recently deceased infants and adults.**

The National Taxpayer Advocate first identified identity theft as a Most Serious Problem facing taxpayers in her 2005 Annual Report. Newspaper accounts of investigations leading to the arrest of thieves exploiting vulnerabilities in online tax refund processing suggest that this form of fraud has grown into the hundreds of millions of dollars.

We have seen a growing number of particularly outrageous cases in which the parents of recently deceased children find that their tax returns are rejected by the IRS because a thief has previously claimed their child as a dependent on what is now discovered to be a fraudulent return.

Among the responses to this egregious behavior have been legislative proposals that would restrict public access to the Social Security Death Index or Death Master File because this file as found on numerous genealogical websites might have been the source of the thieves acquiring the child’s SSN.

The IRS could close the door to this form of identity theft if, in fact, they were to use the Death Master File for the purpose for which it was created, namely to reduce fraud. If returns claiming a tax refund were screened against the Master Death File and matching cases identified for special processing, the thief should be the one getting the rejection notice.

This filter, together with other programming measures that might be suggested, could not only reduce fraudulent claims, but could actually expedite the processing of such cases. The National Taxpayer Advocate’s report for 2011 specifically highlights the benefits of the IRS Issued Identity Protection PINs and suggests that taxpayers should be allowed to turn OFF their ability to file tax returns electronically.

These suggestions do not require additional legislation but can be implemented collaboratively between the IRS and SSA almost immediately in time to impact this tax filing season

The Administration is conducting a thorough review of all of the issues surrounding appropriate access to this resource. We understand the complexities of this process and would welcome an opportunity to provide input from the genealogical community.