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By: Administrator

According to news <u>reports</u>, more than 20,000 taxpayers have been targeted in what the Internal Revenue Service (IRS) says is the largest phone scam that the agency has ever seen. Thousands of victims have lost money.

Here's how it works: Imposters posing as IRS agents call people claiming that they owe taxes and demanding payment using a prepaid card or a wire transfer. They threaten those who refuse with dire consequences – arrest, deportation, deportation and even loss of a business or driver's license. In some cases, the scammers know the last four digits of people's Social Security numbers, and follow up with official-looking mail. They also use false Caller ID that makes it look like the calls are really coming from the IRS. There may even be a second call, supposedly from the police or department of motor vehicles, to reinforce the message and convince people to send the money.

It's important to know that real IRS agents usually contact people first by mail, not by phone, and they don't ask for payment to be made with a prepaid card or wire transfer. Those methods of payment are just like sending cash, and once you send cash to a crook, you can kiss it goodbye – it's gone without a trace.

So if you get one of these calls hang up and report it. You can contact the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can also provide the information to the Federal Trade Commission by filling out a complaint form at www.ftc.gov

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This isn't the only scam where callers pretend to be from the government. For more information about government-imposter scams, go to http://www.consumer.ftc.gov/blog/dialing-dollars .