

Mullin's Business Service LLC

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Dear Client;

We are sending this information to you to remind you once again of the importance of keeping your personal information safe and to caution you about several scams that are targeting taxpayers this filing season. Cybercriminals use these scams to obtain names, social security numbers and addresses which they then use to file fraudulent returns.

In one version of the scam, criminals steal personal data and file fraudulent tax returns. They then use taxpayers' bank accounts to direct deposits tax refunds and use various tactics to reclaim the refund from the taxpayer, including falsely claiming to be from a collection agency or the IRS.

In another version of the scam, con artists target information in the files of tax professionals, payroll professionals, human resources personnel, schools and other organizations. These targeted scams are known as Business Email Compromise (BEC) or Business Email Spoofing (BES) scams. Depending on the variation of the scam criminals will pose as:

- A business asking the recipient to pay a fake invoice;
- An employee seeking to re-route a direct deposit; or
- As someone the recipient trusts or recognizes, such as an executive, to initiate a wire transfer;

Criminals may use the email credentials from a successful phishing attack, known as email account compromise, to send phishing emails to the victim's email contacts. Thus, you should be wary of unsolicited emails from personal or business contact because their email may have been spoofed or compromised. If in doubt, call to confirm the sender's identity.

You should always use security software with firewall and antivirus protection and encrypt tax records stored on computers. Consult with your Information Technology (IT) consultant about the best way to protect your sensitive data and systems.

Remember that the IRS will never initiate contact with taxpayers via email or by phone about a tax bill or tax refund. If you have any questions about your tax account, if you receive a suspicious email, or if you think that you have been the victim of identity theft, please do not hesitate to contact us for assistance.

Mail fraud is very popular these days as well. We have had two clients in the last 6 months who have been victims of stolen mail which resulted in their checks getting cashed by the thieves. Never use your home mailbox when sending mail out, that is an invitation to thieves that there are checks in the outgoing mail. For businesses that receive checks in the mail on a regular

basis, we strongly suggest getting a locking mailbox for all incoming mail or using a post office box.

For the latest information visit the IRS Tax Scams and Consumer Alerts page at www.irs.gov/newroom/tax-scams-consumer-alerts.

Sincerely,

Mullin's Business Service LLC