

## **Identity Theft**

**What it is:** Identity theft occurs when someone wrongfully obtains and uses another person's personal data and private identifying information, usually for economic gain. Have you received a bill that is not yours? Are you receiving calls from creditors? Are there small charges on your credit cards that you don't recognize? These are warning signs and you could be a victim of identity theft.

**How it works:** Using personal information such as social security number, bank account numbers, and calling numbers, a criminal can take over that individual's identity to conduct a wide range of crimes. Some examples include: false applications for loans and credit cards, fraudulent withdrawals from bank accounts, fraudulent use of telephone calling cards.

**Why it matters:** First, take steps to minimize your risk. Guard your social security number closely and check your credit report for accuracy. If you think you have been victimized take action and place a fraud alert on your credit report and close any accounts you don't recognize or that have been tampered with. A fraud alert is free and starts with a request to one of the three reporting agencies, Equifax, Transunion, to put a fraud alert on your credit report. Once one of the agencies receives a request they must tell the other 2 companies. The alert lasts 90 days but you can renew it. Be aware of commercial credit monitoring services that charge fees to watch your credit reports and alert you to changes to the accounts listed on your credit report. Services usually alert you of changes to your accounts by email, text message, or phone – but could cost \$15 a month or more.

A security freeze is free to identity theft victims who have a police report of identity theft. If you are not an identity theft victim, it will cost you \$10 to place a freeze with each credit reporting agency. That's a total of \$30 to freeze your credit information at each of the three major credit reporting agencies (Equifax, Experian and TransUnion). (source: Iowa Attorney General)

**Who should care:** According to the Justice Department’s Bureau of Justice Statistics (BJS), “An estimated 16.6 million people, representing 7 percent of all persons age 16 or older in the United States, experienced at least one incident of identity theft in 2012, the announced today. Financial losses due to personal identity theft totaled \$24.7 billion, over \$10 billion more than the losses attributed to all other property crimes measured in the National Crime Victimization Survey. About 14 percent of victims suffered an out-of-pocket financial loss due to the most recent incident of identity theft.”

### **For more information**

- Consumer Financial Protection Bureau  
<http://www.consumerfinance.gov/askcfpb/1375/i-may-have-been-victim-fraud-or-identity-theft-how-can-i-put-fraud-alert-my-credit-report.html>
- Federal Trade Commission at <https://www.identitytheft.gov/>

Identity Theft Resource (FTC) The Federal Trade Commission has launched IdentityTheft.gov which is the federal government’s one-stop resource for identity theft victims. The site provides streamlined checklists and sample letters to guide you through the recovery process.

- Justice Department’s Bureau of Justice Statistics (BJS)  
<http://www.bjs.gov/content/pub/press/vit12pr.cfm>
- Iowa State University Extension and Outreach website at  
[www.extension.iastate.edu/humansciences/](http://www.extension.iastate.edu/humansciences/)

*If you’ve created an Identity Theft Report, you can get an extended fraud alert on your credit file. When you place an extended alert, you can get 2 free credit reports within 12 months from each of the 3 nationwide credit reporting companies, and the credit reporting companies must take your name off marketing lists for prescreened credit offers for 5 years, unless you ask them to put your name back on the list. The extended alert lasts for 7 years.*