



# MONEYWISE

VALUING PEOPLE. VALUING MONEY.

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## THIS MONTH'S TOPIC: TAXES AND IDENTITY THEFT: FRAUDULENT UNEMPLOYMENT INSURANCE CLAIMS

With tax season approaching, you should have received government forms for any earnings you've collected throughout the year. These may include forms such as a W-2, 1099, 1098, and others. As you prepare the documents you need to file your taxes, be on the lookout for anything that looks suspicious — especially regarding unemployment benefits. If you receive a 1099-G form this tax season indicating that you received Unemployment Insurance (UI) benefits, but you never filed an unemployment claim, you are likely the victim of identity theft. This means that someone used your name and/or Social Security Number to file a fraudulent claim.

### REPORT IDENTITY THEFT

The most important thing for you to do is to report the identity theft immediately to each of the agencies below. Be sure to keep any confirmation or case numbers you receive for your records.

1. First, report the fraud to the Kentucky Office of Unemployment Insurance (OUI) at <https://secure.kentucky.gov/FormServices/UI/Fraud>.
2. Second, report the fraud to your employer.
3. Third, report the fraud to the Department of Justice, National Center for Disaster



Fraud (NCDF) at <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form> or 866-720-5721. Choose "COVID-19" as the disaster that relates to your complaint and choose "Identity Theft" and "Insurance Fraud" as to the conduct you are reporting.

4. Finally, report the identity theft to the Federal Trade Commission (FTC) at <https://www.identitytheft.gov/>.

### REVIEW YOUR CREDIT

When identity theft occurs, it is especially important to review your credit report. You can request credit reports online for free from any of the three major reporting agencies below or at <https://www.annualcreditreport.com/>. Once you receive your credit report, look for and dispute any fraudulent transactions. You can also let the agency know you are a victim of identity theft and





ask them to put a fraud alert on your credit file. This is different from an extended fraud alert or a credit freeze. Learn the differences at <https://www.consumer.ftc.gov/articles/what-know-about-credit-freezes-and-fraud-alerts>.

- Equifax: 800-349-9960 or <https://www.equifax.com/personal/>
- Experian: 888-397-3742 or <https://www.experian.com/>
- TransUnion: 888-909-8872 or <https://www.transunion.com/>

## SECURE YOUR ACCOUNTS

It is also important to change online passwords for any company with whom you do business. This will include your email account, banking institutions, credit card companies, and other lenders. Review all financial statements since the identity theft occurred to make sure everything looks correct.

## VERIFY YOUR EARNINGS

When you file your state and federal tax returns, you should only report income that you received. If you received a 1099-G form but did not receive the benefits listed, report the identity theft to the Kentucky Office of Unemployment Insurance (see Step #1 above in Report Identity Theft). There is no need to delay the processing of your tax return while your unemployment identity theft is under investigation. You can opt into the IRS Identity Protection PIN program to receive a six-digit number that helps prevent thieves from filing

federal tax returns in your name. Learn more at <https://www.irs.gov/identity-theft-fraud-scams/get-an-identity-protection-pin>.

Additionally, you can report the problem and verify your reported earnings with the Social Security Administration at 800-772-1213 or by searching for your local SSA office at <https://secure.ssa.gov/ICON/>. They can review your earnings with you to ensure they are correct. Before you call, review earnings posted to your social security statement at <https://www.ssa.gov/myaccount/>.

## TAKE IT STEP-BY-STEP

Learning that you have been a victim of identity theft can leave you feeling vulnerable and frustrated. It's important to safeguard your accounts, personal information, and finances as quickly as possible. To ensure you cover your bases, the Federal Trade Commission has created a step-by-step checklist for various type of identity theft at <https://www.identitytheft.gov/#/Steps>. If you have been the victim of unemployment insurance fraud specifically, visit <https://www.identitytheft.gov/#/unemploymentinsurance> for a more in-depth explanation of the steps outlined in this newsletter.

## ADDITIONAL RESOURCES:

Kentucky Career Center, Kentucky Labor Cabinet  
<https://kcc.ky.gov/career/Pages/UI-Fraud.aspx>

Kentucky Attorney General's Office  
<https://ag.ky.gov/Resources/Consumer-Resources/Consumers/Pages/Identity-Theft.aspx>

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