

IDENTITY THEFT

Identity theft is the act of **stealing another person's personal identifying information in order to gain access to his financial resources**, or obtain access to other benefits, such as money, credit, or insurance benefits.

According to the Identity Theft Resource Centre, there are four distinct types of identity theft.

- Criminal Identity Theft
- Synthetic Identity Theft
- Medical Identity Theft
- Child Identity Theft

Criminal Identity Theft

- Criminal identity theft occurs when a **person identifies himself as another person** to avoid detection by law enforcement, to evade arrest, or to evade prosecution for a crime.
- Criminal identity theft might enable the perpetrator to **commit a crime under the victim's name**, leaving the victim holding the bag.
- When this occurs, it may be **difficult for the victim to clear his name completely, as it is an extensive process that involves the court system.**

Synthetic Identity Theft

- This crime involves the **creation of a completely or partially fabricated identity**.
- This is done by **combining an individual's real social security number with a phony name and made-up date of birth**.
- This type of identity theft is difficult to track, as it may not appear on either person's credit report.
- It may create an entirely new credit report file, or appear on the victim's report as a sub-file

Medical Identity Theft

- The term medical identity theft, coined in 2006, is a form of **insurance fraud**.
- This involves an individual **obtaining medical care under another person's name, using the victim's name and birthdate, and possibly even his insurance policy information**.
- **Perpetrator's medical information would be entered on to the victim's medical records, and thus exposes the victim to financial losses for medical bills and insurance costs.**

Child Identity Theft

- IRS requires that all **children claimed as dependents on a parent's income taxes have their own social security numbers**.
- These **social security numbers are valued commodities for fraudsters**, as they have no information associated with them.
- Child identity theft may be committed by a family member or friend, but strangers might use the numbers to apply for loans, obtain credit cards, and even obtain a driver's license.
- Because nobody thinks to obtain a child's credit report, this crime may go undetected for many years.

Identity Theft Protection Tips

Other tips for identity theft protection include:

- **Protect PIN numbers** by never writing the credit/ debitcards, or on a slip of paper in a wallet
- **Shield keypads** when using ATMs or checkout systems
- **Collect the mail** immediately
- Have the post office hold mail when away for more than a day or two
- Pay attention to **whether bills arrive as scheduled**
- **Keep all receipts and account statements**
- Shred unwanted statements or receipts
- Keep all **personal information in a safe place** at home
- Ignore unsolicited requests for personal information
- Use **firewalls** on home computers
- Always use **secure passwords**
- Check credit reports annually, or anytime theft is suspected