

Title:

Identity Theft: Don't Become A Victim!

Word Count:

1350

Summary:

If you don't think you have ever been a victim of identity theft, think again. In ways almost beyond our perception, thieves are making off with your valuable personal information, bringing havoc to so many lives. Here is a narrative outlining how you can respond if victimized by identity thieves.

Keywords:

identity theft, free credit report, American Express, MasterCard, Visa, Federal Trade Commission

Article Body:

Moments after stepping out of the taxi, Rachel plunged through the entranceway of the hotel lobby eager to put behind what had been a terribly exhausting day. Flight delays due to weather had caused her LAX-MDW-BWI trip to take nearly eleven hours to complete. All she could think of was taking off her shoes to relieve her aching feet and dipping them into soothing, warm bath water.

The line at the front desk was mercifully short. One clerk caught Rachel's attention and signaled her forward – she gave him her reservation information and then dug out her American Express card for payment. As he stepped away to verify its authenticity Rachel's eyes surveyed the lobby. "They've updated everything since I was last here", she thought. Her concentration, clouded by fatigue, was now on the mission style tables, chairs, and light fixtures, which had replaced the heavy, wooden furniture previously occupying the lobby. "Here is your card and room key, ma'am," the clerk interrupted minutes later. Quickly, Rachel stuffed her card back into her wallet, gathered her bags and whisked away to her room.

Rachel was a victim of identity theft that night, but did not know it at the time. Had she kept a watchful eye on what her clerk was doing instead of studying the lobby, she might have noticed him switching cards on her. At the very least, she would have seen that the card handed to her beneath her room key was not her own.

Identity theft is an exploding problem that has increased exponentially in this

technological age. Particularly since the early 1990s thieves have been taking advantage of what we would consider every day transactions: writing a check at the grocery store, ordering merchandise via the internet, applying for a credit card, using your cell phone, and more. Each transaction requires you to share personal information: your bank and credit card account numbers; your income, your Social Security Number (SSN); and your name, address, and phone numbers.

An identity thief will lift some piece of your personal information and appropriate it without your knowledge to commit fraud or theft. One of the most common methods is when the identity thief uses your personal information to open a credit card account in your name.

The Federal Trade Commission is the arm of the federal government tasked with overseeing the problem of identity theft. A special hotline number (1-877-IDTHEFT) was created for consumers to call to place your information in a database which is accessible with other law enforcement agencies and private entities, including any companies about which you may complain. Additionally, an ID Theft Affidavit – a form you can use to alert companies where a new account was opened in your name – can be filled out and given to the company. This affidavit is available [online](http://www.consumer.gov/idtheft) to consumers.

Identity thieves can get your personal information in a number of ways:

- * They steal wallets and purse containing your i.d. and credit and bank cards.
- * They steal your mail, including your bank and credit card statements, pre-approved credit offers, telephone calling cards and tax information.
- * They complete a "change of address form" to divert your mail to another location.
- * They rummage through your trash, or the trash of businesses, for personal data in a practice known as "dumpster diving."
- * They fraudulently obtain your credit report by posing as a landlord, employer or someone else who may have a legitimate need for – and a legal right to – the information.
- * They get your business or personnel records at work.
- * They find personal information in your home.
- * They use personal information you share on the internet.

* They buy your personal information from "inside" sources. For example, an identity thief may pay a store employee for information about you that appears on an application for goods, services or credit.

Identity thieves will then take the personal information they have obtained about you and use it in a number of different ways:

* They will call your credit card issuer and, pretending to be you, ask to change the mailing address on your credit card account. The imposter then runs up charges on your account. Because your bills are being sent to the new address, it may take some time before you realize that there is a problem.

* They open a new credit card account, using your name, date of birth and SSN. When they sue the credit card and don't pay the bills, the delinquent account is reported on your credit report.

* They establish phone or wireless service in your name.

* They open a bank account in your name and write bad checks on that account.

* They file for bankruptcy under your name to avoid paying debts they have incurred under your name, or to avoid eviction.

* They counterfeit checks or debits cards, and drain your bank account.

* They buy cars by taking out auto loans in your name.

Fortunately for Rachel, American Express covered her losses. Although she didn't find out about the theft until she reached her home in California, American Express suspended her account when a number of suspicious charges appeared and she couldn't be reached by them to verify the charges. Their fraud department left a message on her phone answering machine instructing her to call them and, when she did, Rachel was notified that someone else was using her card. When she explained that she had the card in her possession, she checked her purse and found a card for someone else instead.

Visa, MasterCard and American Express absorb the cost of fraud as long as they are notified by the consumer [certain restrictions may apply – check with your card issuer for specific details]. Had Rachel used a debit card, the story might have been much different. Unlike a credit card, the debit card takes a direct hit on your bank account, meaning that you will have to absorb the loss.

So, all is well with Rachel, right? Sure, American Express overnighted a new

card with a new account number for Rachel to use on her next trip, but the problem could very well have continued – and deepened – had she not taken three more steps recommended by the Federal Trade Commission:

First, contact the fraud departments of each of the three major credit bureaus. Tell them that you are a victim of identity theft. Request that a "fraud alert" be placed in your file, as well as a victim's statement asking that creditors call you before opening any new accounts or changing your existing accounts. This can help prevent an identity thief from opening additional accounts in your name.

At the same time, order copies of your credit reports from the credit bureaus. Credit bureaus must give you a free copy of your report if your report is inaccurate because of fraud, and you make that request in writing. Review your reports carefully to make sure no additional fraudulent accounts have been opened in your name or unauthorized changes made to your existing accounts.

Second, contact the creditors for any accounts that have been tampered with or opened fraudulently. Creditors can include credit card companies, phone companies and other utilities, and banks and other lenders.

Third, if possible, file a report with your local police or the police in the community where the identity theft took place. Get a copy of the police report in case the bank, credit card company or others need proof of the crime. Even if the police are unable to catch the thief, the report can be helpful when dealing with creditors.

In summation, identity theft is a problem that is causing businesses and consumers billions of dollars per year. As a result, higher interest rates and an increase in the cost of goods and services is passed on to consumers. So, do not be a victim – protect yourself from identity theft by remaining alert especially when a third party is handling your personal information.