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Published December 16th, 2015

## Avoid Becoming a Victim of Fraud

*By Cathy Tyson*

The phone calls and emails are becoming all too familiar: A grandson is in jail in Peru, urgently needing bail money; you have won the Nigerian lottery and need to send funds to pay for taxes to claim your winnings; the Internal Revenue Service will arrest you if you do not send money owed for back taxes right now; a contractor calls to say he will be in your neighborhood soon. Unfortunately, these calls and emails are all likely scams.

So how do you protect yourself? The Crime Prevention Commission recently hosted an Identity Theft - Fraud Forum with speakers including the Lafayette Chief of Police, and representatives from the Sheriff's Office, the District Attorney's Office, the IRS and the California Contractors Licensing Board, who gave specific information about best practices to avoid becoming a victim.

"Real estate fraud is a bonanza for criminals," said former Deputy District Attorney of Contra Costa County Ken McCormick to a standing room only crowd at the Veterans Memorial Hall.

Elders are often the target of real estate crimes, especially in Lamorinda's prosperous neighborhoods, because they usually have a larger net worth, and they can be subject to undue influence from both shady real estate professionals and family members, according to McCormick. Because jail time is much shorter for real estate fraud than for bank robbery, he suggests these types of crimes are "so simple" for those familiar with the paperwork, often starting with forging a signature on a deed.

Home repair fraud is rampant and expensive, said Jane Kreidler from the Contractors State License Board. For homeowners with a home improvement project over \$500, a contractor with a valid license is required. Homeowners shopping for a contractor should get three bids, check references and make sure the contractor's license and driver's license names match up. Kreidler also strongly encouraged checking online to make sure the license is active and in good standing. Do not use a contractor who randomly calls, offering services.

A contract should contain specific information about the timeframe of the job and the payment schedule; the down payment cannot be more than \$1,000 or 10 percent of the contract price, whichever is less. Never pay in cash. "If you have a problem with a contractor, we want to know," said Kreidler.

A special IRS agent representing the law enforcement arm of the federal agency who does financial investigation dealing with tax evasion and money laundering addressed the group. She said a frequent scam is someone claiming to be an IRS agent on the phone who threatens to arrest a person unless back taxes due are paid immediately. She was clear: "The actual IRS will not call you."

Investigations have led to a call center in India as a source of the calls.

For those involved in identity theft fraud on a tax return, file an online complaint at the Treasury Inspector General for Tax Administration ([www.tigta.gov](http://www.tigta.gov)).

Lafayette Chief of Police Eric Christensen also warned that "shoulder surfing" is occurring at local bank ATMs, and if the person behind you is quick, it is possible to make an additional transaction, usually a withdrawal, on your account. He recommends pausing for a few moments before walking away to ensure the transaction is fully complete.

Additional Tips from the Lafayette Chief of Police:

A raised red flag on a mailbox can be construed by bad guys to mean come steal the mail. Your postal carrier will understand if there is outgoing mail in the box.

Protect your mail and packages - pick up as soon as possible. Also consider getting a locked mailbox. Christensen calls Upper Happy Valley Road the "speedway of mailbox theft."

A shredder that does a crisscross cut is best. Shred all documents with personal, financial and medical information.

Using a thin-tipped Sharpie pen is the easiest way to deter criminals from tampering with checks, as the ink saturates into the paper.

Do not allow a random caller who says he or she is from Microsoft to gain remote access to your computer.

Check your credit report every year. You have the right to a free credit report every 12 months.

Protect valuables in your car, and don't leave items in plain sight.

Be careful discarding used computers or cell phones. Be sure to wipe the hard drive - or remove it entirely.

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