



**IRS Stakeholder Liaison  
Communications & Liaison**

# **Internal Revenue Service**

**Small Business Resources & Guidance on (IRS.GOV)**

**Identity Theft & Common Scams**

**2023 Dirty Dozen Tax Scams**

**Sr. Stakeholder Liaison, Nilka Enck**

**May 11, 2023**





# Small Business/ Self-Employed Tax Center – IRS.gov/smallbiz

## Small Business and Self-Employed Tax Center

English | Español | 中文(简体) | 中文(繁體) | 한국어 | Русский | Tiếng Việt | Kreyòl Ayisyen

### Individuals

#### Businesses and Self-Employed

##### Small Business and Self-Employed

Employer ID Numbers

Business Taxes

Reporting Information Returns

Self-Employed

Starting a Business

Operating a Business

Closing a Business

Industries/Professions

Small Business Events

Online Learning

Large Business

Corporations

Partnerships

#### Charities and Nonprofits

#### International Taxpayers

#### Governmental Liaisons

#### Federal State Local Governments

#### Indian Tribal Governments

#### Tax Exempt Bonds

### What You'll Find Here

Resources for taxpayers who file Form 1040 or 1040-SR, Schedules C, E, F or Form 2106, as well as small businesses with assets under \$10 million.

### Most Popular

- [Employer ID Numbers \(EINs\)](#)
- [Forms and Publications](#)
- [Self-Employment Taxes](#)
- [E-file Employment Taxes](#)



IRS Small Business Self-Employed Tax Center YouTube Video

### Information For

- [Self-Employed](#)
- [Independent Contractor or Employee](#)
- [Business Structure](#)
- [Businesses with Employees](#)
- [Industries/Professions](#)

### Preparing Your Taxes

- [Business Tax Credits](#)
- [Deducting Expenses](#)
- [Recordkeeping](#)
- [Employment Taxes](#)

### Filing/Paying Taxes

- [Filing and Paying Your Business Taxes](#)
- [IRS Tax Calendar for Businesses and Self-Employed](#)
- [Filing Past Due Tax Returns](#)
- [Information Return Reporting](#)
- [Calculate Your Employment Taxes](#)

### Stages of Owning a Business

- [Starting a Business](#)
- [Operating a Business](#)
- [Closing a Business](#)
- [Changing Address](#)
- [Changing Business Name](#)

### General Topics

- [A-Z Index for Business](#)
- [Affordable Care Act \(ACA\)](#)
- [Gig Economy](#) (Sharing Economy)
- [Report of Foreign Bank and Financial Accounts \(FBAR\)](#)
- [Retirement Plans for Small Entities and Self-employed](#)
- [Tax Reform Provisions that Affect Businesses](#)

### Online Learning

- [IRS Video Portal](#)
- [Small Business Events](#)
- [Online Tools & Educational Products](#)
- [Small Business Tax Workshop](#)
- [Subscribe to e-News](#)
- [Webinars for Small Businesses](#)
- [Tax Cuts and Jobs Act \(TCJA\) Training Materials](#)



# Selecting a Business Structure

[File](#)[Pay](#)[Refunds](#)[Credits & Deductions](#)[Forms & Instructions](#)

## Business Structures

[English](#) | [Español](#) | [中文\(简体\)](#) | [中文\(繁體\)](#) | [한국어](#) | [Русский](#) | [Tiếng Việt](#) | [Kreyòl ayisyen](#)

### Individuals

#### Businesses and Self-Employed

##### Small Business and Self-Employed

[Employer ID Numbers](#)[Business Taxes](#)[Reporting Information Returns](#)[Self-Employed](#)[Starting a Business](#)

When beginning a business, you must decide what form of business entity to establish. Your form of business determines which income tax return form you have to file. The most common forms of business are the sole proprietorship, partnership, corporation, and S corporation. A Limited Liability Company (LLC) is a business structure allowed by state statute. Legal and tax considerations enter into selecting a business structure.

- [Sole Proprietorships](#)
- [Partnerships](#)
- [Corporations](#)
- [S Corporations](#)
- [Limited Liability Company \(LLC\)](#)

For additional information, refer to Small Business Administration's [Choose a business structure](#) webpage.

### Related Topics

- [Starting a Business](#)

### Videos

- [Small Business Taxes: The Virtual Workshop](#)



# Employer Identification Number – IRS.gov/ein

## Apply for an Employer Identification Number (EIN) Online

[English](#) | 
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 [Русский](#) | 
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### Hours of Operation

Monday to Friday, 7 a.m. to 10 p.m. Eastern Standard Time.

### Step 1: Determine Your Eligibility

- You may apply for an EIN online if your principal business is located in the United States or U.S. Territories.
- The person applying online must have a valid Taxpayer Identification Number (SSN, ITIN, EIN).
- You are limited to one EIN per [responsible party](#) per day.
  - The “responsible party” is the person who ultimately owns or controls the entity or who exercises ultimate effective control over the entity. Unless the applicant is a government entity, the responsible party must be an individual (i.e., a natural person), not an entity.

### Step 2: Understand the Online Application

- You must complete this application in one session, as you will not be able to save and return at a later time.
- Your session will expire after 15 minutes of inactivity, and you will need to start over.

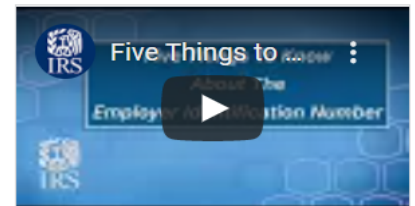
### Step 3: Submit Your Application

- After all validations are done you will get your EIN immediately upon completion. You can then download, save, and print your EIN confirmation notice.

[Apply Online Now](#)

### Related Topics

- [State and Federal Online Business Registration](#)
- [Online EIN: Frequently Asked Questions](#)
- [Employer ID Numbers](#)
- [System Requirements](#)
- [Privacy Act Statement and Paperwork Reduction Act Notice](#)
- [Businesses with Employees](#)



**Five Things to Know about the Employer Identification Number YouTube Video**



# Understanding Business Taxes

## Business Taxes

[English](#) | 
 [Español](#) | 
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 [한국어](#) | 
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 [Kreyòl ayisyen](#)

### Individuals

#### Businesses and Self-Employed

[Small Business and Self-Employed](#)

[Employer ID Numbers](#)

**[Business Taxes](#)**

[Employment Taxes](#)

[Estimated Taxes](#)

[Self-Employment Tax \(Social Security and Medicare Taxes\)](#)

[Excise Taxes](#)

[Electronic Filing Options](#)

[Forms and Instructions](#)

[Reporting Information Returns](#)

[Self-Employed](#)

[Starting a Business](#)

The form of business you operate determines what taxes you must pay and how you pay them. The following are the five general types of business taxes.

- [Income Tax](#)
- [Estimated Taxes](#)
- [Self-Employment Tax](#)
- [Employment Taxes](#)
- [Excise Tax](#)

### Income Tax

All businesses except partnerships must file an annual income tax return. Partnerships file an information return. The form you use depends on how your business is organized. Refer to [Business Structures](#) to find out which returns you must file based on the business entity established.

The federal income tax is a pay-as-you-go tax. You must pay the tax as you earn or receive income during the year. An employee usually has income tax withheld from his or her pay. If you do not pay your tax through withholding, or do not pay enough tax that way, you might have to pay estimated tax. If you are not required to make estimated tax payments, you may pay any tax due when you file your return. For additional information refer to [Publication 583](#).

### Estimated tax

Generally, you must pay taxes on income, including self-employment tax (discussed next), by making regular payments of estimated tax during the year. For additional information, refer to [Estimated Taxes](#).

### Self-Employment Tax

### Related Topics

- [Business Structures](#)
- [Online Tax Calendar](#)
- [Starting a Business](#)
- [E-File Employment Tax Forms](#)

### Publications

- [Publication 583, Starting a Business and Keeping Records](#)



### Tax Return Overdue?

Why you should file and pay now



# Recordkeeping

- **Everyone in business must keep records**
- **Good records will help you do the following:**
  - Monitor progress of business activity
  - Prepare financial statements
  - Identify receipt sources
  - Track deductible expenses
  - Prepare tax returns
  - Support items reported on tax returns



# Small Business Recordkeeping System Examples

- **A recordkeeping system for a small business might include the following items:**
  - Business checkbook
  - Daily and monthly summary of cash receipts
  - Check disbursements journal
  - Depreciation worksheet
  - Employee compensation records



# Common Tax Errors

- **Four common tax errors for small businesses:**
  - Underpaying estimated taxes
  - Not depositing employment taxes
  - Filing late
  - Not separating business and personal expenses





# Online Tax Calendar – IRS.gov/taxcalendar



- File
- Pay
- Refunds
- Credits & Deductions
- Forms & Instructions



## Online Tax Calendar

### Individuals

#### Businesses and Self-Employed

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### Online Tax Calendar

View due dates and actions for each month. You can see all events or filter them by monthly depositor, semiweekly depositor, excise, or general event types. Visit this page on your Smartphone or tablet, so you can view the Online Tax Calendar on your mobile device.

View the [Online Tax Calendar](#) [\(en Español\)](#)

### Calendar Reminders

You can have your Calendar reminders sent to your email inbox via RSS Feeds one or two weeks in advance of when a form or payment is due.

View the [Instructions for RSS Feeds](#) [\(en Español\)](#)

### Subscribe to or Import into Your Calendar Program

You have the option to Subscribe to the Small Businesses calendar using Outlook 2007, Outlook 2010 or Mac iCal. Outlook 2003 does not have the ability to subscribe but you can download the tax events from the calendar.

#### Subscribe

Subscribing adds Web calendar data to your calendar program.

The Web calendar data will be updated automatically, but you will not be able to make manual changes to it.

#### Download

Downloading lets you add a one-time "snapshot" of the calendar events to your calendar program (e.g. Outlook).

Outlook will allow you to edit this imported calendar data but will not automatically refresh it when data is updated by IRS.

View the [Instructions to Subscribe to or Import the Tax Calendar](#) [\(en Español\)](#)



# Small Business Tax Workshops, Meetings and Seminars

[File](#)[Pay](#)[Refunds](#)[Credits & Deductions](#)[Forms & Instructions](#)

## Small Business Tax Workshops, Meetings and Seminars

[English](#) | [Español](#)

### Individuals

#### Businesses and Self-Employed

[Small Business and Self-Employed](#)[Employer ID Numbers](#)[Business Taxes](#)[Reporting Information Returns](#)[Self-Employed](#)[Starting a Business](#)[Operating a Business](#)[Closing a Business](#)[Industries/Professions](#)[Small Business Events](#)[Online Learning](#)[Large Business](#)[Corporations](#)[Partnerships](#)

Small business workshops, seminars and meetings, designed to help the small business owner understand and fulfill their federal tax responsibilities, are held at various locations throughout the country. These events are sponsored and presented by IRS partners specializing in federal tax. On occasion, IRS participates in these events in person or by virtual technology.

Topics vary from a general overview of taxes to more specific topics such as recordkeeping and retirement plans. Although most are free, some events have fees paid directly to the sponsoring organization, not the IRS.

If you live near a state line, please look for workshops in nearby cities of the bordering state.

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|---|---|--|
| <ul style="list-style-type: none"> <li><a href="#">Alabama</a></li> <li><a href="#">Alaska</a></li> <li><a href="#">Arizona</a></li> <li><a href="#">Arkansas</a></li> <li><a href="#">California</a></li> <li><a href="#">Colorado</a></li> <li><a href="#">Connecticut</a></li> <li><a href="#">Delaware</a></li> <li><a href="#">District of Columbia</a></li> <li><a href="#">Florida</a></li> <li><a href="#">Georgia</a></li> <li><a href="#">Hawaii</a></li> <li><a href="#">Idaho</a></li> <li><a href="#">Illinois</a></li> <li><a href="#">Indiana</a></li> <li><a href="#">Iowa</a></li> <li><a href="#">Kansas</a></li> </ul> | <ul style="list-style-type: none"> <li><a href="#">Kentucky</a></li> <li><a href="#">Louisiana</a></li> <li><a href="#">Maine</a></li> <li><a href="#">Maryland</a></li> <li><a href="#">Massachusetts</a></li> <li><a href="#">Michigan</a></li> <li><a href="#">Minnesota</a></li> <li><a href="#">Mississippi</a></li> <li><a href="#">Missouri</a></li> <li><a href="#">Montana</a></li> <li><a href="#">Nebraska</a></li> <li><a href="#">Nevada</a></li> <li><a href="#">New Hampshire</a></li> <li><a href="#">New Jersey</a></li> <li><a href="#">New Mexico</a></li> <li><a href="#">New York</a></li> <li><a href="#">North Carolina</a></li> </ul> | <ul style="list-style-type: none"> <li><a href="#">North Dakota</a></li> <li><a href="#">Ohio</a></li> <li><a href="#">Oklahoma</a></li> <li><a href="#">Oregon</a></li> <li><a href="#">Pennsylvania</a></li> <li><a href="#">Rhode Island</a></li> <li><a href="#">South Carolina</a></li> <li><a href="#">South Dakota</a></li> <li><a href="#">Tennessee</a></li> <li><a href="#">Texas</a></li> <li><a href="#">Utah</a></li> <li><a href="#">Vermont</a></li> <li><a href="#">Virginia</a></li> <li><a href="#">Washington</a></li> <li><a href="#">West Virginia</a></li> <li><a href="#">Wisconsin</a></li> <li><a href="#">Wyoming</a></li> </ul> |
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### Related Topics

- [Webinars for Small Businesses](#)

### Videos

- [Small Business Tax Workshop](#)



# IRS Video Portal IRSvideos.gov



Help

- Individuals
- Businesses**
- Tax Professionals
- Governments
- Charities & Non-Profits
- Multilingual

- Taxpayer First Act
- Affordable Care Act
- Bank Secrecy Act
- Business Expenses
- Business Income
- Changing Your Business
- Disaster Information
- Employers
- Filing and Paying Taxes
- IRS Audits
- IRS Liens
- Post-Filing Issues
- Resources
- Retirement Plans
- Scams and Fraud
- Starting a Business
- Small Business Tax Workshop

**Information for Businesses**

Use the buttons on the left to view all presentations in a specific category



- All Presentations
- All Webinars
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# Small Business Virtual Tax Workshop

## IRS.gov/sbworkshop



- Individuals
- Businesses**
- Tax Professionals
- Governments
- Charities & Non-Profits
- Multilingual

- Taxpayer First Act
- Affordable Care Act
- Bank Secrecy Act
- Business Expenses
- Business Income
- Changing Your Business
- Disaster Information
- Employers
- Filing and Paying Taxes
- Forms
- IRS Audits
- IRS Liens
- Post-Filing Issues
- Resources
- Retirement Plans
- Scams and Fraud
- Starting a Business
- Small Business Tax Workshop
- Transcript**

### Small Business Tax Workshop



- English (United States)
- English (United States)**
- español (Estados Unidos)
- 中文(简体)
- 中文(繁體)
- 한국어
- русский
- Tiếng Việt
- Kreyòl ayisyen

SHARE
 BOOKMARK

- Lesson 1 - Federal taxes and your new business
- Lesson 2 - Schedule C and other small business taxes
- Lesson 3 - Filing and paying taxes electronically
- Lesson 4 - Business use of your home
- Lesson 5 - Federal taxes when hiring employees or independent contractors
- Lesson 6 - Managing payroll to withhold the correct amount of taxes
- Lesson 7 - Tax deposits and filing a return to report payroll taxes
- Lesson 8 - Hiring people who live in the U.S. who aren't citizens

Hello everyone and welcome to the Small Business Tax Workshop.

We designed this workshop to help you as a business owner, understand and meet your federal tax obligations.



# e-News for Small Businesses

[File](#)[Pay](#)[Refunds](#)[Credits & Deductions](#)[Forms & Instructions](#)

## Subscribe to e-News for Small Businesses

### Individuals

### Businesses and Self-Employed

Small Business and Self-Employed

Employer ID Numbers

Business Taxes

e-News for Small Businesses is a free electronic mail service designed to provide tax information for small business owners and self-employed individuals.

Sign-up and you will receive information about:

- Important upcoming tax dates for SB/SE customers
- What's new for small businesses on the IRS website
- Reminders and tips to assist small businesses/self-employed with tax compliance
- IRS News Releases and special IRS announcements that pertain to SB/SE customers

When you subscribe, you will receive a confirmation message by e-mail. Remember, you must respond to this email in order to verify your subscription.

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# IRS Publications

**Here are some of our top recommended sources for you to review.**

- **Publication 5557, A Guide to Starting a Small business**
- **Publication 583, Starting a Business and Keeping Records**
- **Publication 535, Business Expenses**
- **Publication 587, Business Use of Your Home**
- **Publication 594, The IRS Collection Process**
- **Publication 505, Tax Withholding and Estimated Tax**
- **Publication 463, Travel, Gift and Car Expense**



# Stay informed

- **IRS has helpful publications – [IRS.gov/publications](https://www.irs.gov/publications)**
- **IRS Small Business & Self-Employed Tax Center – [IRS.gov/smallbiz](https://www.irs.gov/smallbiz)**
- **Small Business Tools & Resources**
  - e-News for Small Businesses
  - IRS Social Media – **[IRS.gov/socialmedia](https://www.irs.gov/socialmedia)**
    - YouTube channels – Small Business videos
    - Twitter - @IRSsmallbiz
  - Small Business Presentations on IRS Video Portal – **[IRSvideos.gov/business](https://www.irs.gov/videos)**
    - Small Business Tax Workshop
  - IRS Online Tax Calendar options for Small Business & Self-Employed – **[IRS.gov/taxcalendar](https://www.irs.gov/taxcalendar)**



## Telephone numbers

Business and Specialty Taxes	800-829-4933
E-help	866-255-0654
Information Return Reporting	866-455-7438
Report Tax Schemes	866-775-7474
National Taxpayer Advocate	877-777-4778







## **Protect Financial and Tax Records Preparing for a disaster**

- **Planning what to do in case of a disaster is an important part of being prepared**
- **The following are tips on preparing for a disaster:**
  - Take Advantage of Paperless Recordkeeping for Financial and Tax Records
  - Document Valuables and Business Equipment
  - Check on Fiduciary Bonds
  - Continuity of Operations Planning for Businesses
  - Count on the IRS



# Taxpayer Guide to Identity Theft

[www.IRS.gov/IDTheft](http://www.IRS.gov/IDTheft)



[File](#)

[Pay](#)

[Refunds](#)

[Credits & Deductions](#)

[Forms & Instructions](#)

## Taxpayer Guide to Identity Theft

English | [Español](#) | [中文\(简体\)](#) | [中文\(繁體\)](#) | [한국어](#)

### Topics in the News

[News Releases](#)

[Multimedia Center](#)

[Tax Relief in Disaster Situations](#)

[Inflation Reduction Act](#)

[Tax Reform](#)

[Taxpayer First Act](#)

[Tax Scams/Consumer Alerts](#)

[The Tax Gap](#)

[Fact Sheets](#)

[IRS Tax Tips](#)

[e-News Subscriptions](#)

[IRS Guidance](#)

[Media Contacts](#)

[IRS Statements and Announcements](#)



### Keep Your Identity Safe

If you use an online application to do your taxes, you can now log in with your username, password and a third personal item like a phone number. Using all 3 will keep your identity and data safer.

Tax-related identity theft occurs when someone uses your stolen personal information, including your Social Security number, to file a tax return claiming a fraudulent refund.

If you suspect you are a victim of identity theft, continue to pay your taxes and file your tax return, even if you must file a paper return.

### Know the Signs of Identity Theft

You may not know you're a victim of identity theft until you're notified by the IRS of a possible issue with your return.

Be alert to possible tax-related identity theft if:

- You get a letter from the IRS inquiring about a suspicious tax return that you did not file.
- You can't e-file your tax return because of a duplicate Social Security number.
- You get a tax transcript in the mail that you did not request.
- You get an IRS notice that an online account has been created in your name.
- You get an IRS notice that your existing online account has been accessed or disabled when you took no action.
- You get an IRS notice that you owe additional tax or refund offset, or that you have had collection actions taken against you for a year you did not file a tax return.
- IRS records indicate you received wages or other income from an employer you didn't work for.
- You've been assigned an Employer Identification Number but you did not request an EIN.

### Take Action if You Are a Victim

There are steps you can take if your Social Security number or other personal information is compromised.



## Identity Theft Information for Businesses

- **Know the Signs of Identity Theft**
- **Report Suspected Identity Theft**
  - Form 14039-B, Business Identity Theft Affidavit
- **Protect Your Business and Prevent Data Loss**
  - Take basic steps to protect business data
  - Follow a Data Security Plan
    - Publication 4457, Safeguarding Taxpayer Data
  - Educate Your Employees
  - Keep EINs current and Safe
- **Check out the “Business” section on IRS Identity Theft Central at [IRS.gov/identitytheft](https://www.irs.gov/identitytheft)**



# Common Scams

**Email, Phishing and Malware Schemes**

**Fake Charities**

**Threatening Impersonator Phone Calls**

**Refund Theft**

**Scams targeting non-English speakers**

**Unscrupulous Return Preparers**





## Dirty Dozen Tax Scams Overview

**The Dirty Dozen represents the worst of the worst tax scams.**

Compiled annually, the Dirty Dozen lists a variety of common scams that taxpayers may encounter anytime but many of these schemes peak during filing season as people prepare their returns or hire someone to help with their taxes. Don't fall prey.

- **Employee Retention Credit claims**
- **Email and text scams**
- **Scammers offering “help” with IRS Online Account**
- **Third-party promoters of false fuel tax credit claims**
- **Scammers using fake charities**
- **Shady tax preparers**
- **Tax advice on social media**
- **Beware of spear phishing**
- **Offer in Compromise ‘mills’**
- **Schemes aimed at high-income filers**
- **Abusive tax avoidance schemes**
- **Schemes with international elements**

*The list is not a legal document or a literal listing of agency enforcement priorities. It is designed to raise awareness among a variety of audiences that may not always be aware of developments involving tax administration.*



## Employee Retention Credit claims

For the start of the annual Dirty Dozen list of tax scams, the IRS spotlights Employee Retention Credits following blatant attempts by promoters to con ineligible people to claim the credit.

Renewing several earlier alerts, the IRS highlights schemes from promoters who have been blasting ads on radio and the internet touting refunds involving Employee Retention Credits, also known as ERCs. These promotions can be based on inaccurate information related to eligibility for and computation of the credit.

When properly claimed, the ERC is a refundable tax credit designed for businesses that continued paying employees while shut down due to the COVID-19 pandemic or that had a significant decline in gross receipts during the eligibility periods. The credit is not available to individuals.



### Email and text scams

In day two of the annual [Dirty Dozen](#) tax scams campaign, the IRS again includes a warning about phishing and smishing schemes where cybercriminals try to steal a taxpayer's information through scam emails or text messages.

Taxpayers and tax professionals should be alert to fake communications posing as legitimate organizations in the tax and financial community, including the IRS and states. These messages arrive in the form of an unsolicited text or email to lure unsuspecting victims to provide valuable personal and financial information that can lead to identity theft.

The IRS initiates most contacts through regular mail and will never initiate contact with taxpayers by email, text or social media regarding a bill or tax refund.



### Scammers offering “help” with IRS Online Account

The Internal Revenue Service warns taxpayers to watch out for scammers who try to sell or offer help setting up an Online Account on IRS.gov that puts their tax and financial information at risk of identity theft.

The IRS Online Account provides valuable tax information for people. But this information in the wrong hands can provide important information to help an identity thief try to submit a fraudulent tax return in the person's name in hopes of getting a big refund. People should watch out for these scam artists offering to help set up these accounts because these are identity theft attempts to run off with the taxpayer's personal or financial information.





### Third-party promoters of false fuel tax credit claims

The Internal Revenue Service warns taxpayers to watch out for promoters pushing improper fuel tax credit claims that taxpayers aren't qualified to receive.

The fuel tax credit is meant for off-highway business and farming use and, as such, is not available to most taxpayers. However, unscrupulous tax return preparers and promoters are enticing taxpayers to inflate their refunds by erroneously claiming the credit.

In this scam, a third party convinces a taxpayer to fraudulently claim the credit with promises of a windfall refund. But the promoters are focused on their own gain, taking advantage of the taxpayer with inflated fees, refund fraud and identity theft.



### Scammers using fake charities

The Internal Revenue Service urges everyone to be on alert for scammers using fake charities to dupe taxpayers, especially following major disasters.

Whether an earthquake or wildfires, good-natured taxpayers rally to help victims after an emergency or disaster by donating money. Unfortunately, scammers often try to prey on well-intentioned donors by posing as fake charities, hoping to steal money, but also personal and financial data that can be used in tax-related identity theft.



### Shady tax preparers

The Internal Revenue Service cautions taxpayers to avoid unscrupulous tax return preparers.

People should be careful of shady tax professionals and watch for common warning signs, including charging a fee based on the size of the refund.

Some "ghost" tax preparers refuse to sign the tax return or ask people to sign a blank return. These are all common warning signs, and people should always rely on a trusted tax professional, and the IRS offers a variety of resources to help.



# Tips for Choosing a Tax Preparer

- **Check the preparer's qualifications**
  - IRS Directory of Federal Tax Return Preparers with Credentials and Select Qualifications
- **Check the preparer's history**
- **Ask about service fees**
- **Ask to e-file**
- **Make sure the preparer is available**
- **Provide records and receipts**
- **Never sign a blank return**
- **Review before signing**
- **Review details about any refund**
- **Report abusive tax preparers to the IRS**



## Dirty Dozen Tax Scams – 7

### **Taking tax advice on social media can be bad news for taxpayers**

The Internal Revenue Service continues the [Dirty Dozen](#) series with a warning on day seven about trusting tax advice on social media that can lure otherwise honest taxpayers and tax professionals into compromising tax situations.

Social media can circulate inaccurate or misleading tax information, and the IRS has recently seen several examples. These can involve common tax documents like Form W-2 or more obscure ones, like Form 8944 that's aimed at a very limited, specialized group. Both schemes encourage people to submit false, inaccurate information in hopes of getting a refund.



### Tax pros and other businesses beware of spear phishing

The Internal Revenue Service warns tax professionals and businesses that they remain a top target for identity thieves and face threats from common scams on this year's [Dirty Dozen](#) list.

The IRS urges tax professionals and businesses to be on the lookout for a variety of suspicious email requests. Through these spearphishing emails, scammers try to steal client data, tax software preparation credentials and tax preparer identities with the goal of getting fraudulent tax refunds.

These requests can range from an email that looks like it's from a potential new client to a request targeting payroll and human resource departments asking for sensitive Form W-2 information.



### Offer in Compromise ‘mills’

The Internal Revenue Service renews a warning about so-called Offer in Compromise "mills" that often mislead taxpayers into believing they can settle a tax debt for pennies on the dollar.

The IRS continues to see instances of heavily advertised promises offering to settle taxpayer debt at steep discounts. The IRS sees many situations where taxpayers don't meet the technical requirements for an offer, but they had to face excessive fees from promoters for information they can easily obtain themselves.

Offer in Compromise mills highlight day nine of the Dirty Dozen series. Offers in Compromise are an important program to help people who can't pay to settle their federal tax debts. But "mills" can aggressively promote Offers in Compromise in misleading ways to people who clearly don't meet the qualifications, frequently costing taxpayers thousands of dollars. A taxpayer can check their eligibility for free using the [IRS's Offer in Compromise Pre-Qualifier tool](#).



### Schemes aimed at high-income filers

The Internal Revenue Service cautions taxpayers to resist questionable tax practitioners and independent promoters selling schemes aimed at wealthy taxpayers.

As part of the IRS annual [Dirty Dozen](#), these potentially abusive arrangements involve things like Charitable Remainder Annuity Trusts and monetized installment sales. These tools can be misused by promoters, who can advertise these schemes to attract clients. The promoters misapply the rules and leave the filers vulnerable.





### **Abusive tax avoidance schemes & schemes with international elements**

The Internal Revenue Service closes out the 2023 [Dirty Dozen](#) campaign with a warning for taxpayers to beware of promoters peddling bogus tax schemes aimed at reducing taxes or avoiding them altogether.

These schemes can take many shapes, ranging from abusive deals involving syndicated conservation easements and micro-captive insurance arrangements. They can also involve an international component, such as hiding cash and digital assets offshore or using Maltese foreign individual retirement accounts or foreign captive insurance.



# Dirty Dozen Tax Scams – News Releases

For a detailed description of each scam, please refer to the list below:

- [IRS opens 2023 Dirty Dozen with warning about Employee Retention Credit claims; increased scrutiny follows aggressive promoters making offers too good to be true](#)
- [Dirty Dozen: Watch out for scammers using email and text messages to try tricking people during tax season](#)
- [Dirty Dozen: IRS warns of scammers offering “help” to set up an Online Account; creates identity theft risk for honest taxpayers](#)
- [Dirty Dozen: Watch out for third-party promoters of false fuel tax credit claims](#)
- [Dirty Dozen: IRS warns of scammers using fake charities to exploit taxpayers](#)
- [Dirty Dozen: IRS warns individuals to stay clear of shady tax preparers; offers tips on carefully choosing tax professionals | Internal Revenue Service](#)



## Dirty Dozen Tax Scams – News Releases cont.

For a detailed description of each scam, please refer to the list below:

- [Dirty Dozen: Taking tax advice on social media can be bad news for taxpayers; schemes circulating involving tax forms](#)
- [Dirty Dozen: IRS urges tax pros and other businesses to beware of spearphishing; offers tips to avoid dangerous common scams](#)
- [Dirty Dozen: Watch out for Offer in Compromise "mills" where promoters claim their services are needed to settle IRS debts](#)
- [Dirty Dozen: Watch out for schemes aimed at high-income filers; Charitable Remainder Annuity Trusts, monetized installment sales carry risk](#)
- [Dirty Dozen: Beware of abusive tax avoidance schemes](#)

[IRS.gov/DirtyDozen](https://www.irs.gov/DirtyDozen)



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**Thank you.....**