



IRS Identity Fraud Prevention Specialist Arrested For Identity Fraud, Filing Fraudulent Tax Returns

from the *multiple-layers-of-thievery* dept

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In late spring of last year, more than 100,000 taxpayers had their personally-identifiable information **accessed by criminals**. It wasn't a security breach, nor was it accomplished by "hacking." Instead, it was the result of the IRS using common static identifiers to verify accounts -- information that could easily be found elsewhere. These were deployed to access transcripts of taxpayers' filing histories. The transcripts gave criminals the information they were actually seeking: Social Security numbers, birth dates and current addresses.

The IRS promised to be less easily "hacked" going forward. It didn't mention any *specific* steps it would take. "Protocols" would be "strengthened" and taxpayers *known* to be compromised (likely a smaller number than those *actually* compromised) were given the consolation prize of free credit monitoring and a "Sorry about that" letter from the IRS.

In addition, efforts were mounted to further protect taxpayers from identity fraud, which, to date, has produced a study, a "working group" and a **press release**. This may prove fruitful in the future (actual implementation date still TBA...), but it's too bad the agency couldn't be bothered to escalate its defensive efforts until after catastrophe had already struck. And it does nothing at all for **past hurtful efforts made by "helpful" government employees**. (via **Overlawyered**)

Federal officials today announced arrests and charges in a stolen identity tax-refund scheme believed to involve more than \$1 million in false claims and run by an IRS employee who was supposed to be assisting taxpayers experiencing problems resulting from identity theft.

A federal grand jury earlier this month indicted NAKEISHA HALL, JIMMIE GOODMAN and ABDULLA COLEMAN for their involvement in a 2008 to 2011 scheme operated out of Birmingham that involved stealing personal identity information from the Internal Revenue Service to create fraudulent tax returns and collecting the stolen refunds...

Hall, having access to taxpayer information as an IRS employee, apparently orchestrated the scheme. Fraudulent tax refunds were routed to prepaid debit cards. These cards were then sent to a variety of fake home addresses set up by the three conspirators -- one of which is already doing time on an unrelated charge.

There you have it. The IRS is unable to protect you from outside threats *or* inside threats. It's still

generally satisfactory when it comes to closing doors on empty barns, though. And, Nakeisha Hall -- tasked with preventing ID theft but instead engaging in it -- transfers to the US Dept. of Irony, joining such luminaries as Air Force chief of Sexual Assault Prevention (**arrested for sexual assault**) and the Obama administration (whose open government workshop **was closed** to the public).