

It's Up to You - Tips for Fighting & Preventing Identity Theft



John K. Rossman is chair of our creditors' remedies and bankruptcy practice group. A nationally recognized authority on debt collection compliance and defense, Mr. Rossman counsels and advises national and international companies with an emphasis on business clients with a presence in the credit industry. He may be reached at RossmanJ@moss-barnett.com or 612.877.5396.

Identity theft is rampant and can affect any individual from any segment of society. It is likely that you or someone you know has been the victim of this crime in some form.

The consequences for a victim of identity theft, even when it is spotted early, can be months of dealing with creditors and other financial institutions to clear up erroneous postings and to be reimbursed for fraudulent use of the victim's funds. Knowing what to do when you think you have been a victim will help make that process easier. The Federal Trade Commission (FTC) has recommended the following steps for victims of identity theft.

- 1) Contact the *fraud department of the three consumer reporting companies*** (Equifax, Experian, and Trans Union) to place a fraud alert on your credit report. Twenty-five states – including Minnesota – allow a consumer to place a freeze on his or her credit report, thus in theory preventing any new credit from being issued using the consumer's personal identifying information unless and until the consumer "unfreezes" the report.
- 2) Contact *creditors and collection agencies*** (both by telephone and in writing), and close accounts you know or believe have been tampered with or opened fraudulently. Also, file an ID Theft Affidavit (available at www.consumer.gov/idtheft/pdf/affidavit.pdf) with those creditors and collection agencies and follow up to ensure that credit bureau reporting has been updated.
- 3) File a complaint with the *FTC*.**

4) File a *police report*. Many police departments provide a simplified format for consumers to file or you may use the complaint that you filed with the FTC.

Victims of identity theft need to know it is up to them to take affirmative steps to address the situation. A mere verbal statement to a creditor asserting that you are the victim of identity theft is generally not sufficient. If possible, the victim should try to identify the time and place, and even the perpetrator, of the crime.

But preventing identity theft is probably your best defense. Among the many steps you can take are:

- 1) Not giving out personal information**, especially over the phone or by email, unless you know that you are providing it to a reliable entity;
- 2) Minimizing the amount of personal information that you carry with you.** In particular, avoid carrying your social security card or credit cards that you do not use regularly;
- 3) Checking your credit reports once a year;**
- 4) Paying attention to monthly statements and billing cycles; and**
- 5) Using only secure internet sites for purchases or other business.**

For further information regarding identity theft, how to prevent it, and what to do when it happens, visit these websites: www.ftc.gov/bcp/edu/microsites/idtheft/consumers or www.idtheftcenter.org.