

Identity Theft- Part 1

The ease of use of credit and ATM cards thefts has increased “Identity Thefts”. “Identity Theft” means that a criminal can assume your identity and use it for his gain. Although markets and methods for electronic transactions have increased, protections have been slow to develop. Now there is more personal data circulating than ever – and thieves are getting better at figuring out how to get it. Sadly, our family members and neighbors make up about half of all those identity thieves.

The number of identity thieves who drain existing bank accounts and make fraudulent electronic fund transfers has doubled since 2002. Many cases involve the theft of Social Security cards and driver’s licenses to obtain your ID, and these victims end up involved in tax fraud and thefts of government benefits.

If you would manage your personal finances online, you would learn of your identity theft in just 8 days. If you rely on paper bank and credit statements, it will take you 114 days to discovery a theft. So the sooner you can discover a fraud, the less money will be involved. Early fraud detection will also cost you less to fix matters. The average loss when a victim discovers fraud through electronic record keeping is just \$551. Given these facts, if you’re not already reviewing your statements electronically you should start right now.

Identity Theft- Part 2

This article reports on how to protect yourself from Identity Theft. Here are easy steps to take, listed in order of effectiveness: These pointers are “bare minimum” to minimize the impact of identity theft on your life.

DO NOT leave printed personal or financial information lying about. Most ID thieves are friends or relatives inside your home.

DO lock away all checkbooks, social security information, bills and anything someone might use to steal your identity.

DO buy a shredder and push through it all bank and credit statements, even “junk mail” offers that might contain confidential information.

DO NOT mail checks from your home, but from a U.S. Mailbox or the Post Office. Thieves can use an “acid wash” to change the name of the payee.

DO call credit reporting agencies to be removed from their marketing lists (at 1-888-5-OPTOUT) and reduce the “pre-approved” credit offers you get.

DO pick up re-supply checks at your bank – **DO NOT** have them sent to your home.

DO review bank and credit statements on-line, and check your financial statements electronically at least twice a month. You can spot fraud much sooner electronically.

DO get a copy of your credit report, perhaps quarterly. Monitor your report for any changes you cannot account for.

Here’s a no-brainer: **DO** avoid giving out your Social Security number unless absolutely required, and then know who you’re dealing with.