

# Identity Theft and the Older Adult

Identity theft is one of the fastest growing crime in the country. The Federal Trade Commission (FTC) estimates that as many as 9 million people living in America have their identities stolen each year.

A 2008 Bureau of Justice Assistance study estimated that 11.7 million persons in the United States were victims of identity theft in the two years prior to the report. Financial losses due to identity theft totaled more than \$17 billion. (*Victims of Identity Theft*, 2008, December 2010)

Older adults represent more than a quarter of all identity theft victims. These individuals are targeted for several reasons:

- ★ **Availability:** Retired, less mobile, and perhaps in poor health, older adults are often home for cold calls. Also, more and more older adults use email, the Internet, and social media, now the most popular venue for fraudsters.
- ★ **Vulnerability:** Physically or mentally impaired older adults who rely on unscrupulous caretakers or family members often are targeted for identity fraud.
- ★ **Money:** Targeted older adults are a ready money supply from savings or property.
- ★ **Loneliness:** Lack of friendships can position older adults to be receptive to identity fraud.

## Identity Theft Defined

Identity assumed to commit fraud under the assumed identity is identity theft. A criminal will use the name, address, Social Security number, bank or credit account number, or other identifying information, without the victim's knowledge, to commit fraud or other crimes.

Criminals obtain personal information in many ways:

- ★ **Dumpster Diving:** "Divers" rummage through trash to find bills, pre-approval applications, or other papers containing personal information.
- ★ **Skimming:** ID thieves use a special device to steal credit or debit card numbers.
- ★ **Telemarketing:** Fraudsters pose as telemarketers or sweepstakes employees to get personal information.
- ★ **Phishing:** Pretending to be from a financial institution or legitimate company, phishers send spam or pop-up emails to get the recipient to reveal personal information.
- ★ **Pre-texting:** Using false pretenses, thieves obtain personal data from financial institutions, utility companies, and other sources.
- ★ **Old-Fashioned Stealing:** Thieves steal wallets, purses, or mail. Dishonest employees steal employer personnel records. Criminals watch or listen for person identification, calling card, or credit card numbers.

### Identification Theft Facts

In 2010—for the eleventh year in a row—identity theft was the top consumer complaint category (19%) received by the FTC, which recorded 250,854 complaints. Of these cases, government documents/benefits fraud (19%) was the most commonly reported, followed by credit card fraud (15%), phone or utilities fraud (14%), and unemployment fraud (11%). Other significant categories of identity theft reported by victims were bank fraud (10%) and loan fraud (4%). (FTC, *Consumer Sentinel Network Data Book for January – December 2010*, March 2011)

In 2009, 28% of identity theft victims were age 50 or over. (*Consumer Sentinel Network Data Book for January – December 2010*)

About 42% of victims spent one day or less working to resolve financial and credit problems associated with identity theft. However, 3% continued to experience problems more than six months after discovering the theft. Some 23% of victims suffered an out-of-pocket financial loss; the average loss amount was \$1,870, with half losing \$200 or less. (Bureau of Justice Statistics, *Victims of Identity Theft, 2008*, December 2010)

### Reporting Identity Theft

Actions related to identification theft can be a federal offense, and violations of federal laws are investigated by the Federal Bureau of Investigation, U.S. Secret Service, U.S. Postal Inspection Service, and Social Security Administration/Inspector General. Federal identity theft cases are prosecuted by the U.S. Department of Justice.

The FTC provides the following four steps for reporting identity theft. For more information, visit [www.ftc.gov/bcp/edu/microsites/idtheft/consumers/defend.html](http://www.ftc.gov/bcp/edu/microsites/idtheft/consumers/defend.html).

1. Place a fraud alert on your credit reports—and review your credit reports.
2. Close the accounts you know, or believe, have been tampered with or opened fraudulently.
3. File a complaint with the FTC online at [www.ftccomplaintassistant.gov](http://www.ftccomplaintassistant.gov), or call the Identity Theft Hotline at (877) ID-THEFT (438-4338), TTY: (866) 653-4261.
4. File a report with your local law enforcement agency, or with the law enforcement agency in the community where the identity theft took place.

### Social Security Theft

Thieves may try to use stolen Social Security numbers to file tax returns in order to receive a refund or obtain employment. If you suspect someone else is using your Social Security number (SSN), contact the Social Security Administration (SSA). The SSA will review your earnings with you to ensure their records are correct.

If someone has misused your SSN or other personal information and caused you credit problems, contact the FTC. If an identity thief may have filed a tax return in your name, contact the Internal Revenue Service Identity Protection Unit. Finally, victims should file an online complaint with the Internet Crime Complaint Center (IC3), which alerts the appropriate law enforcement and regulatory agencies.

## Credit Card Theft

Federal law limits a cardholder's maximum liability for unauthorized card use to \$50 per card. Also, if the loss involves the credit card number, but not the physical card, you are not liable for any charges. Be aware, however, that federal law regarding ATM/debit card loss or fraudulent transfers differs. Consumers who report the loss within two business days after realizing a card is missing are not responsible for more than \$50 for unauthorized use. However, if the loss is not reported, you can lose up to \$500. Cardholders who fail to report an unauthorized transfer within 60 days after their bank statement was mailed to them risk unlimited loss—possibly the entire amount in the account and any unused portion of credit line or overdraft. For more information, read the FTC report “Credit, ATM and Debit Cards: What to do if They’re Lost or Stolen”.

Many people learn they have been victimized when a debt collector calls regarding unpaid account activity. Federal and state laws regulate collection agencies in order to protect identity theft victims.

To learn more, see Identity Theft Resource Center Fact Sheet 116 – Collection Agencies and Identity Theft.

## Resources

### Better Business Bureau

Elder Fraud Hotline  
(804) 780-2222

### Philanthropic Advisory Service Council

(to verify a charitable organization)  
[www.bbb.org](http://www.bbb.org)

### Consumer Action Handbook

Name and Address to:  
Handbook  
Pueblo, Colorado 81009  
(888) 878-3256  
[www.ConsumerAction.gov](http://www.ConsumerAction.gov)

### Consumer Response Center

Federal Trade Commission  
Washington, DC 20580  
(202) FTC-HELP [382-4357]  
TDD: (202) 326-2502

## Credit Bureaus

### Annual Credit Report Request Service

(877) 322-8228  
[www.annualcreditreport.com](http://www.annualcreditreport.com)

### OptOutPrescreen.com

(888) 567-8688 (5OPTOUT)  
TDD: Call 711 and refer the relay operator to  
(800) 821-9631  
[www.optoutprescreen.com](http://www.optoutprescreen.com)

### Experian (formerly TRW)

(888) 397-3742 (Experian) (to order credit report and to report credit card fraud)  
[www.experian.com](http://www.experian.com)

### Equifax

(888) 766-0008 (to report credit card fraud)  
(800) 685-1111 (to request credit report)  
[www.equifax.com](http://www.equifax.com)

### TransUnion

(800) 680-7289 (fraud victim assistance)  
(800) 877-322-8228 (to request credit report)  
[www.transunion.com](http://www.transunion.com)

**Direct Marketing Association**

(Instructions for removing your name from direct mail, telemarketing, and email lists)

Customerservice@the-dma.org

[www.the-dma.org](http://www.the-dma.org)

**National Fraud Information Center**

(to verify a charitable organization)

[www.fraud.org](http://www.fraud.org)

**Where to Report ID Theft:****Federal Trade Commission**

(877) IDTHEFT (1-877-438-4338)

TTY: 1-866-653-4261

[www.ftc.gov](http://www.ftc.gov)

**Internal Revenue Service****Identity Protection Unit**

(800) 908-4490

[www.irs.gov/privacy/article/](http://www.irs.gov/privacy/article/)

**Federal Bureau of Investigation**

[www.fbi.gov](http://www.fbi.gov)

**Internet Crime Complaint Center**

[www.ic3.gov/](http://www.ic3.gov/)

**Privacy Rights Clearinghouse**

[www.privacyrights.org](http://www.privacyrights.org)

**U.S. Department of Justice**

[www.usdoj.gov](http://www.usdoj.gov)

**U.S. Postal Service**

[www.usps.gov/websites/department/inspect](http://www.usps.gov/websites/department/inspect)

**U.S. Secret Service**

[www.secretservice.gov](http://www.secretservice.gov)

**U.S. Social Security Administration**

(800) 772-1213

[www.ssa.gov](http://www.ssa.gov)