



# Rhode Island Department of Revenue

## Division of Taxation

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TAX ADMINISTRATION

ADVISORY FOR TAX PROFESSIONALS  
FEBRUARY 12, 2021

### Division offers guidance for victims of identity theft

*Also in this Advisory: identity theft, unemployment benefits, and Form 1099-G*

PROVIDENCE, R.I. – The Rhode Island Division of Taxation today suggested steps to take if you have been a victim of identity theft. The Division recommends two separate series of steps, depending on the type of identity theft involved:

- The first involves identity theft in general, including tax-related identity theft.
- The second involves identity theft related to unemployment benefits and Form 1099-G.

#### **1. IDENTITY THEFT IN GENERAL**

“Identity theft occurs when someone uses your Social Security number or other personal information without your knowledge to open new accounts, make purchases, or get a tax refund,” said Rhode Island Tax Administrator Neena Savage. Identity theft, or fraud, is a crime, and often results in the loss of personal data, such as passwords, usernames, banking information, or credit card numbers.

“Identity theft can also involve your taxes: Tax-related identity theft happens when someone steals your personal information to commit tax fraud. Your taxes can be affected if your Social Security number is used to file a fraudulent return or to claim a refund or credit,” Savage said. If you are the victim of identity theft, follow these steps:

- Contact your local police department to file a police report.
- Fill out the Internal Revenue Service’s “Identity Theft Affidavit” (Form 14039), available at: <https://www.irs.gov/pub/irs-pdf/f14039.pdf> (see screenshot below).

Form <b>14039</b> (December 2020)	Department of the Treasury - Internal Revenue Service <b>Identity Theft Affidavit</b>	OMB Number 1545-2139
Complete this form if you need the IRS to mark an account to identify questionable activity.		
<b>Section A - Check the following boxes in this section that apply to the specific situation you are reporting</b> (Required for all filers)		
<input type="checkbox"/> 1. I am submitting this Form 14039 for myself		

- Let the Division of Taxation know, in writing, that you are a victim of identity theft, and attach a copy of the completed federal Form 14039 mentioned above. Send the letter to: Rhode Island Division of Taxation, Personal Income Tax – Identity Theft, One Capitol Hill, Providence, R.I. 02908.

- See the Rhode Island State Police's "Identity Theft, Fraud & Scams" webpage for tips and guidance: <https://risp.ri.gov/safety/internet/fraud.php>.
- See the Federal Trade Commission's "IdentityTheft.gov" website: <https://www.identitytheft.gov/>



**2. UNEMPLOYMENT BENEFITS AND IDENTITY THEFT**

The Internal Revenue Service last month issued guidance for taxpayers who have been sent a Form 1099-G ("Certain Government Payments") for unemployment benefits they did not actually receive.

According to the IRS, criminals last year took advantage of the coronavirus (COVID-19) pandemic by filing fraudulent claims for unemployment benefits throughout the country by using stolen personal information of individuals who had not filed claims. Payments made as a result of these fraudulent claims went to the criminals; the individuals whose names and personal information were taken did not receive any of the payments, the IRS said.

Taxpayers who have been sent an incorrect Form 1099-G for unemployment benefits they did not receive should contact the issuing state agency to request a revised Form 1099-G showing they did not receive these benefits, the IRS said.

In Rhode Island, the Department of Labor and Training (DLT) is making every effort to ensure that victims of confirmed unemployment benefit fraud will not receive a Form 1099-G for unemployment benefits paid on a fraudulent claim.

If you receive a Form 1099-G from the DLT, but did not file for or receive unemployment benefits in 2020, file a report with the DLT through the following link: <https://dlt.ri.gov/1099/reportfraud/>.

Note: You will not be held responsible for paying taxes on Rhode Island unemployment benefits that were fraudulently received using your identity. Once you fill out the form using the link above, the DLT will be in touch to provide a corrected Form 1099-G.

*The following screenshot shows what a Form 1099-G looks like:*

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.		1 Unemployment compensation \$	OMB No. 1545-0120 <b>2020</b> Form 1099-G	<b>Certain Government Payments</b>
		2 State or local income tax refunds, credits, or offsets \$		
PAYER'S TIN	RECIPIENT'S TIN	3 Box 2 amount is for tax year	4 Federal income tax withheld \$	<b>Copy B For Recipient</b> This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
RECIPIENT'S name		5 RTAA payments \$	6 Taxable grants \$	
Street address (including apt. no.)		7 Agriculture payments \$	8 If checked, box 2 is trade or business income <input type="checkbox"/>	
City or town, state or province, country, and ZIP or foreign postal code		9 Market gain \$		
Account number (see instructions)		10a State	10b State identification no. \$	
			11 State income tax withheld \$	
Form 1099-G (keep for your records)		www.irs.gov/Form1099G		Department of the Treasury - Internal Revenue Service

In addition, if you are the victim of unemployment benefit identity theft, you may report it to the Federal Trade Commission through the following link: <https://www.identitytheft.gov/Information>.

If you receive a Form 1099-G form from another state showing the payment of unemployment benefits in your name, and you did not apply for or receive those benefits in 2020, contact that state's unemployment insurance agency. For a list of contacts for the various state unemployment insurance agencies nationwide, use the following link:

<https://oui.doleta.gov/unemploy/agencies.asp/Contacts-for-State-UI-Tax-Information-and-Assistance-Employment>

To read the guidance that the IRS issued last month about identity theft involving unemployment benefits, use the following link: <https://www.irs.gov/newsroom/irs-offers-guidance-to-taxpayers-on-identity-theft-involving-unemployment-benefits>

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## SECURITY SUMMIT



The Rhode Island Division of Taxation, the Internal Revenue Service, and other organizations are partners in the Security Summit.

Partners in the Security Summit work together to combat identity theft and fight other scams to protect the nation's taxpayers.

For more information about the Security Summit:  
<https://www.irs.gov/newsroom/security-summit>

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*The Rhode Island Division of Taxation is open to the public from 8:30 a.m. to 3:30 p.m. business days. For more information, contact the Division of Taxation at (401) 574-8829 or see <http://www.tax.ri.gov/contact/>.*

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