

What is Financial Identity Theft and What Should I Do if it Happens to Me?

By Roy Niedermayer

Introduction

Wait a minute! I didn't buy this several thousand dollar large screen television with a credit card. I don't even have a credit card or merchant account with that store.

Why did this happen to me?

What may be happening is identity theft. Identity theft and use takes many forms. Most often, the thief commits financial theft by opening credit card or merchant accounts in your name and makes purchases of products and services, or cash withdrawals, for which you receive bills and charges you might have to pay. These sometimes include information for telephone, cable, electric, water or gas utility services. These are examples of financial identity theft.

What should I do right away? Act quickly to limit the harm.

Step 1: Immediately call the fraud department of the merchant or credit card issuer and explain that someone stole your identity. Ask them to freeze or close your account or the false account. Change all your logins, passwords and PINs.

Step 2: Place a fraud alert with one of the 3 credit reporting bureaus. It's free. The one will tell the others.

<http://www.equifax.com/CreditReportAssistance/>
1-888-766-0008

<https://www.experian.com/fraud/center.html>
1-888-397-3742

<http://www.transunion.com/fraud-victim-resource/place-fraud-alert>
1-800-680-7289

Get a copy of your free credit report from annualcreditreport.com, 1-877-322-8228, to identify accounts or transactions you do not recognize.

Step 3: Report your identity theft to the Federal Trade Commission, www.ftccomplaintassistant.gov, 1-877-438-4338. The FTC will then give you an Identity Theft Affidavit.

Step 4: File a report with your local police department and get a copy of the police report. The police report and FTC Identity Theft Affidavit will constitute your Identity Theft Report to show merchants.

How do I repair the damage?

Step 1: Close all new accounts opened in your name with each merchant or credit card company. Ask the provider for a letter confirming closure, the fraudulent account was not yours, you are not liable for it and it was removed from your credit report. Keep a record of the person you spoke to at the merchant and be ready to provide your Identity Theft Report.

Step 2: Ask the fraud department at your real accounts to remove all fraudulent charges. Again, ask for a letter of confirmation and block the fraudulent transaction.

Step 3: Correct your credit report. Write to each credit reporting bureau with a copy of your Identity Theft Report and proof of identity.

Equifax Credit Information Services
Fraud Victim Assistance Department
Consumer Fraud Division
P.O. Box 740256
Atlanta, GA 30374

Experian
National Consumer Assistance
P.O. Box 9554
Allen, TX 75013

TransUnion
Fraud Victim Assistance Department
P.O. Box 2000
Chester, PA 19016-2000

Consider an extended 7-year Fraud Alert and credit freeze. These are free and can be removed by you anytime. Also, there are commercial services such as IRIS through Generali Global Assistance, LifeLock, Privacy Guard and EverSafe; or programs through AARP. There is also ID theft insurance available through commercial insurance companies that can be added to your homeowner's or renter's insurance.

There are other types of identity theft, we will address some of those and what can be done in upcoming blogs. If you still feel you need help, consult a lawyer with experience on these matters.