Stay Protected From Phone Tax Scams: 5 Red Flags to Avoid

Tax season is fast-approaching, which means big opportunity for scammers. Are you doing everything you can to educate your employees about these risks?

The Internal Revenue Service (IRS) published five common tactics used by scam artists over the phone. Keep an eye out for these strategies in case you’re targeted this tax season.

**Phone Call Demanding Immediate Payment**
The IRS will never call you demanding an immediate payment, nor will the agency call without first mailing you a paper bill.

**Requiring Specific Tax Payment Method**
You will never be given just one option for paying your taxes. Scammers often claim that only prepaid debit cards are accepted.

**Demanding Payment Without Chance to Appeal**
You always have the opportunity to appeal or question the amount you’re billed by the IRS.

**Asking for Account Numbers**
The IRS will not ask for any credit, debit or Social Security numbers over the phone.

**Threatening to Involve Local Police**
Scammers might threaten to have local police arrest you for unpaid taxes, but this is just a bluff.

If you encounter any of these scenarios, you are likely being scammed. If you ever feel uncomfortable or uncertain about a phone call from the IRS, it is better to just hang up than risk being conned. You can always call the IRS to verify a legitimate payment issue.

Utilize these key resources to ensure you are not being taken advantage of:

- If you owe or think you might owe taxes, or if you want to verify a phone solicitation, call 1-800-829-1040.
- If you know or suspect a scam attempt, report it at 1-800-366-4484 or [www.irs.gov](http://www.irs.gov).

Employee Leave-sharing and Donation Programs

Employer-sponsored leave-sharing programs enable employees to share their paid leave time with other employees who need additional time off.

Employer-sponsored leave-donation programs allow employees to forgo their paid leave time in exchange for cash donations made by the employer to charities.

**Tax Considerations**

- Unless the program meets IRS guidelines, the donated leave will be taxable to the donor employees.
- The IRS has approved leave sharing for medical emergencies and major disasters.
- The IRS has approved leave donation for specific events, including Hurricane Matthew.

For more information on these programs, please visit [www.irs.gov](http://www.irs.gov).