

IRS WARNS OF SOCIAL SECURITY REFUND HOAX

WASHINGTON — The Internal Revenue Service warned taxpayers not to fall victim to a scam offering them refunds of the Social Security taxes they have paid during their lifetimes. The victim pays a paperwork fee of \$100, plus a percentage of any refund received, to file a refund claim with the IRS.

"This is nothing more than a hoax designed to fleece the victims for the upfront fee," said Ted Brown, IRS Assistant Commissioner for Criminal Investigation. "The law does not allow such a refund of Social Security taxes paid, and the IRS will contact taxpayers filing these claims."

The IRS processing centers are alert to this hoax and have been stopping the false claims. The IRS has already blocked almost 1,100 refund claims totaling nearly \$95 million.

Brown cautioned that during the tax filing season, some people try to take advantage of innocent taxpayers by offering questionable tax advice for an unusual fee. When a fee is tied to a percentage of the refund, as in this scam, a taxpayer will do well to question the whole affair.

"I invite taxpayers who may have been the subject of this hoax -- or who may have any related information that could help us in this matter -- to call the IRS fraud hotline toll-free at 1-800-829-0443," Brown said.

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