

From the desk of Attorney General Bob Cooper



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AG Dispels Myths About Identity Theft

Identity theft is one of the fastest growing crimes in the United States, with the numbers in Tennessee rising steadily each year. Tennesseans filed an estimated 21,000 complaints with the FTC last year related to fraud and identity theft. The figures, however, fail to show the financial and emotional toll identity theft takes on victims, often spanning many years. Although there is a great deal of information available about identity theft, there are some prevailing misconceptions that may actually leave people more vulnerable to the crime.

Misconception #1: My credit is not very good right now; no one would want my identity.

Financial identity theft is the most common form of identity theft, but there are others. Thieves may also try to steal your birth date, social security number and name; this “character identity theft” is often used to assist with acts of terrorism, organized crime, drug trafficking, and money laundering. Thieves may also use your personal information to collect prescription drugs, goods, or health services. If a thief tampers with your medical records, your chart could contain the wrong history and diagnoses. It is important guard personal information regardless of your financial situation.

Misconception # 2: I only have one bank account and one credit card and I monitor them closely so I cannot become a victim of identity theft.

Identity theft involves much more than some stranger using your credit cards to buy big ticket items. Identity thieves also use your personal information to open new accounts. Thieves set up false mailing addresses for the billing statements and transfer debt from other creditors to these new account. By the time these new creditors call you to collect on the delinquent debt made in your name, the thief has destroyed your credit history and disappeared.

The Tennessee Credit Security Act passed in 2007 can help you protect your credit by allowing you to place a security freeze on your credit card account. A security freeze means that your file cannot be shared with potential creditors without your consent. In addition, most businesses will not open new credit accounts without first checking a consumer’s credit history, which can help prevent identity theft. To learn more about obtaining a security freeze visit <http://www.consumersunion.org/pdf/security/securityTN.pdf>.

Misconception #3: Most identity theft happens online.

While it is true that online “phishing” scams and security viruses are a significant threat to Internet users, low-tech methods of identity theft are actually easier to commit and far more prevalent. Crimes of opportunity, such as stealing wallets, mail, and passwords, were linked to 43 percent of identity theft cases last year, according to a study by Javelin Strategy and Research. In comparison, online access accounted for only 11 percent of identity theft.

Misconception #4: The idea of thieves going through my garbage seems blown out of proportion so I only need to shred my most important documents.

“Dumpster diving” is the ultimate lucrative crime of opportunity. In addition to shredding tax forms and pre-approved credit card offers, every piece of paper containing your personal information can put you at risk. Junk mail, personal correspondence, old utility bills and even post-it-notes with passwords and pin numbers are a goldmine for identity thieves.

It is important to remain vigilant online. At the same time, remember to put equal effort into protecting your identity in everyday situations. Don’t share your passwords. Don’t keep your social security card and account numbers in your wallet or purse. If you have been the victim of identity theft, file a report with your local authorities and the Tennessee Division of Consumer Affairs, alert all three credit bureaus, and visit <http://www.tn.gov/attorneygeneral/cpro/idtheft.htm> for more resources.