MADISON – A recent spike in reports about Internal Revenue Service (IRS) phone scam attempts to the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP) coincides with a warning from the IRS about a new variation on this never-ending scam.

In this new twist, the IRS reports that phone scammers have recently begun telling taxpayers that they failed to respond to two certified letters from the agency and that they risk arrest if an immediate payment is not made by prepaid debit card. The scammer falsely claims that the debit card is linked to the IRS’s payment system (the Electronic Federal Tax Payment System or EFTPS) and warns the victim not to contact their tax preparer, an attorney or the local IRS office until the payment is made.

It is likely that these scammers are playing off of the recent news that the IRS has begun using four approved debt collection companies to assist in collecting debts that are more than two years old. Those taxpayers affected by this change will, in fact, receive two letters to inform them that they will be contacted by one of these companies – one letter will come from the IRS directly and the other will be from the collection company. There is additional information about the debt collection program on the IRS website.

This new ploy has yet to be reported to DATCP by Wisconsin consumers, but we expect that it is only a matter of time before this tactic surfaces in Wisconsin. The current scheme consumers are reporting to DATCP involves a fake IRS agent threatening lawsuits and demanding immediate payment. Wisconsin consumers need to remember that any threatening call demanding immediate tax payments is a scam.

You can report these illegal calls to the Treasury Inspector General for Tax Administration through their IRS Impersonation Scam Reporting web page or by calling 800-366-4484. If you question your current tax status, call the IRS directly at 800-829-1040.

For additional information or to file a complaint, visit the Consumer Protection Bureau at datcp.wisconsin.gov, call the Consumer Protection Hotline at 800-422-7128 or send an e-mail to datcphotline@wisconsin.gov.

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