



Pilgrim Accounting Inc.

PROFICIENCY IN ACCOUNTING

NEWSLETTER

HOW TAX SCAMMERS PRETTY ON THE “GOOD GUYS”

The irony of victims of most tax refund scam artists this time of the year is that they are the so-called good-guys.

People who don't want any trouble with Canada Revenue Agency (CRA) and want to pay what they owe and be done with it are more vulnerable to the fraudulent demands for payment than those who are less responsible.

What happens is that the good citizen gets a call saying they owe a lot of money to the CRA and that legal action and even an arrest is pending if they don't pay up immediately.

The person who has prided themselves on staying out of trouble is immediately distraught. How could this happen? They thought they had their affairs in order and now the RCMP is supposedly on their way to their home. What will the neighbours think?

In many cases, the victim of the fraud has not even yet received their notice of assessment from the CRA. They filed their taxes and are waiting and wondering, so the call catches them in an anxious moment.

How can you tell if the call is a fake?

In the past, we used to advise people that your phone would indicate if the call was coming from a Government of Canada, CRA headquarters and that no collecting officer from CRA would be so aggressive.

But that's not quite safe to say any longer. Some scam artists have found a way to have a CRA designation come up on your phone, or something that looks reasonably close. And the new breed of collections officers from the CRA can be reasonably persistent to the point that some might say aggressive.

We are recommending that our clients check the “My Account” option on the CRA website to verify any message they receive about their account.

Here are clues that you are being scammed.

You are told you will be arrested: The CRA officers do not threaten that.

You are told to pay using credit cards or I Tune cards:

The CRA officers do not specify how you must pay your tax bill, only that it must be paid. Normally they suggest you pay online or through your local bank.

You are threatened with repercussions even before you receive your official Notice of Assessment:

No account is sent to a collection officer until the taxpayer has received their notice of assessment.

If you are not sure and have not registered to use the My Account option on the CRA website, hang up and contact the CRA directly at 1-800-959-8281.



We have been advising this strategy to our clients for some time now, and it is surprising how many find out that their accounts are fine when they call.

The CRA also advises us that they do not send an email with a link and ask you to divulge personal or financial information. If you are reading this too late and believe that you may have already been scammed, contact the Canadian Anti-Fraud Centre at www.antifraudcentre-centreantifraude.ca or your local police department.

In addition to this phone scam that has been around for a while, there are two new scams this tax season that our clients have contacted us about. Again, those people who don't want any trouble and will pay up quickly seem to be the most apt to get caught by these thieves.

Both of the new scams involve emails.

Here is a variation of them:

Example:

After the Canada Revenue Agency has reviewed your final 2017 calculations of your fiscal activity, we have determined that you are eligible to receive a tax return of 517.43 CAD.

We will be pleased to submit your tax refund directly to your credit card within 48 hours under the provisions of the new Tax Return Request Act.

For your tax refund, click here.

You will be re-directed to our secure server where we ask you to follow the instructions on your screen.

When you click on the here, you get this message:

Your tax return number is TS023UUS21.

To collect your tax refund of 517.43 CAD please fill in the form and allow us 2-3 business days for processing.

Please note that we can only refund your tax return directly to a valid CREDIT CARD.

You are then asked for your credit card number, expiry date and even pin number.

We checked with Canada Revenue Agency and they do not request payments by prepaid credit cards. Also, they always send you paper notification first, outlining the status of your account.

Contact us for advice!

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