

## How to take action against tax preparer fraud

By reporting tax preparer fraud, **even anonymously**, you can bring attention to the issue and prevent it from happening to others.

### For Help with IRS Issues

If you think your tax preparer committed fraud, a Low Income Taxpayer Clinic (LITC) may be able to help you.

- Lone Star Legal Aid LITC  
(800) 733-8394
- Houston Volunteer Lawyers LITC  
(713) 255-1TAX (1829) or (713) 228-0732

### To Make a Complaint

- Texas Attorney General's Office (800) 252-8011
- Report tax fraud using IRS Form 3949-A Information Referral. Download the form at [www.irs.gov](http://www.irs.gov) or call (800) 829-3676 to order by mail.

### To Recover Your Money

You can file a small lawsuit against a fraudulent tax preparer to recover money lost for services. Contact the below service providers to apply for services.

- Lone Star Legal Aid  
(800) 733-8394
- Houston Volunteer Lawyers  
(713) 228-0732

## Be Aware of Immigration Fraud

Fraudulent tax preparers may offer to help prepare your immigration documents. But if they do not have a license to practice law they may harm your immigration case.

- A “notario” is not an attorney and does not have the legal knowledge or license to represent you in your immigration case.
- A notario may charge you money even though they do not know immigration law and may cause harm to your case.
- Your case may be denied or you may be at risk of deportation.

**Instead, hire a qualified service provider.**

### Free & low-cost immigration legal services

[www.houstonimmigration.org](http://www.houstonimmigration.org)  
Houston Immigrant Rights Hotline  
1-833-HOU-IMMI(468-4664)  
[www.houstonimmigration.org](http://www.houstonimmigration.org)

**This brochure only briefly explains this topic. For legal advice, please consult an attorney.**

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# Protect Yourself From Tax Preparer Fraud

Learn how to identify and avoid tax preparer fraud.

Know how to take action against tax preparer fraud. Don't be afraid to speak up if you have been victimized!



HOUSTON IMMIGRATION  
LEGAL SERVICES COLLABORATIVE

## Red Flags of Tax Preparer Fraud

If you are filing a tax return with a preparer, be aware of tax preparer fraud. A bad tax preparer will change your information on your tax return to get a bigger refund and keep a large fee. The IRS has several ways to verify the information on your return. If the IRS discovers the false information you are automatically responsible for the fraud.

**A tax preparer may be fraudulent if they:**

- Refuse to give you their PTIN (Preparer Tax Identification Number).
- Charge you a fee based on a percentage of your refund amount.
- Ask you to sign a blank tax return.
- Ask you to deposit your refund into a bank account that isn't yours.
- Ask you to pay a health insurance penalty to them in cash.

**Your tax preparer may cause problems with the IRS or steal your money if they do any of these actions. You can report them.**

### Free Tax Preparation

BakerRipley Tax Centers in the Houston area and the Volunteer Income Tax Assistance (VITA) program provide free tax preparation for low income households.

- BakerRipley Tax Center (713) 273-3755
- VITA (800) 906-9887

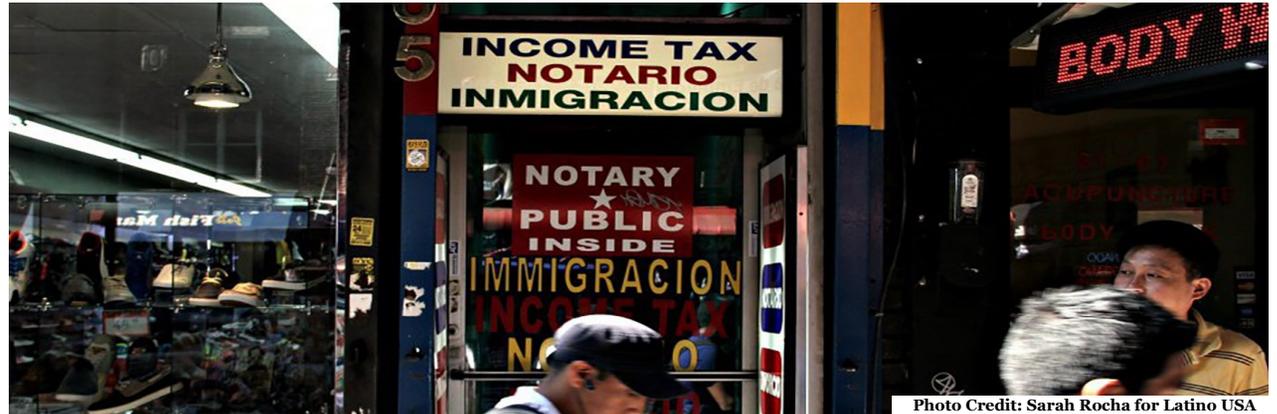


Photo Credit: Sarah Rocha for Latino USA

## Finding Quality Tax Preparers

Doing your taxes right the first time with a qualified tax preparer will save you time and stress. If you pay someone to do your taxes, make sure the person has a Preparer Tax Identification Number (PTIN). Paid tax preparers must have a PTIN and put the number on every tax return they prepare. The tax preparer should also sign your return and give you a copy.

**These tips will help you find a qualified paid tax preparer:**

- Avoid tax preparers who charge you a fee based on a percentage of the refund.
- Always look up the PTIN on the IRS website.
- Keep the tax preparer's business card. You will want their information if the IRS contacts you.
- Make sure the tax preparer can file your tax return electronically. Paid preparers who file more than 10 tax returns for clients must file electronically on the IRS e-file system.

**Look for these common signs of fraud on your tax return:**

- ✓ **Are you married and filing as Head of Household?** If you are married and live with your spouse you cannot file as Head of Household; you can only file as Married Filing Jointly or Married Filing Separately.
- ✓ **Were you self-employed?** If yes, a Schedule C should be included with your return. A Schedule C with your tax returns means you received self-employment income or worked as an independent contractor.
- ✓ **Did you go to school during the tax year?** If not, watch out for a form titled "Education Credits." It should only be filed with your return if you or a dependent were in school for a degree and paid tuition.

**If the IRS finds false information on your tax return you will be responsible for additional taxes, interest, and penalties.**