

Identity Crisis - What to do if your identity is stolen

Identity theft occurs when someone assumes your identity by using your social security number and personal information to open a bank account, credit card, or apply for a loan in an attempt to commit fraud or theft.

What is the biggest problem? You may not know your identity's been stolen until you notice that something is wrong. You may get bills for a credit card account you never opened, your credit report may include debts you never knew you had, a billing cycle may pass without your receiving a statement, or you may see charges on your bills that you didn't sign for, didn't authorize, and don't know anything about.

Take Action

If someone has stolen your identity, the Federal Trade Commission recommends that you take three actions immediately.

First, contact the fraud departments of each of the three major credit bureaus. Tell them to flag your file with a fraud alert including a statement that creditors should get your permission before opening any new accounts in your name.

At the same time, ask the credit bureaus for copies of your credit reports. Credit bureaus must give you a free copy of your report if it is inaccurate because of fraud. Review your reports carefully to make sure no additional fraudulent accounts have been opened in your name or unauthorized changes made to your existing accounts. In a few months, order new copies of your reports to verify your corrections and changes, and to make sure no new fraudulent activity has occurred.

	Report fraud	Order credit report	Web site
Equifax	(800) 525-6285	(800) 685-1111	www.equifax.com
Experian	(888) EXPERIAN (397-3742)	(888) EXPERIAN (397-3742)	www.experian.com
Trans Union	(800) 680-7289	(800) 916-8800	www.transunion.com

Second, contact the creditors for any accounts that have been tampered with or opened fraudulently. Ask to speak with someone in the security or fraud department, and follow up in writing. Following up with a letter is one of the procedures spelled out in the Fair Credit Billing Act for resolving errors on credit billing statements, including charges that you have not made.

Third, file a report with your local police or the police in the community where the identity theft took place. Keep a copy in case your creditors need proof of the crime.

Take Control

Although identity thieves can wreak havoc on your personal finances, there are some things you can do to take control of the situation. Here's how to handle some of the most common forms of identity theft.

- If an identity thief has stolen your mail for access to new credit cards, bank and credit card statements, pre-approved credit offers and tax information or falsified change-of-address forms, (s)he has committed a crime. Report it to your local postal inspector.
- If you discover that an identity thief has changed the billing address on an existing credit card account, close the account. When you open a new account, ask that a password be used before any inquiries or changes can be made on the account. Avoid using easily available information like your mother's maiden name, your birth date, the last four digits of your SSN or your phone number, or a series of consecutive numbers. Avoid the same information and numbers when you create a Personal Identification Number (PIN).
- If you have reason to believe that an identity thief has accessed your bank accounts, checking account or ATM card, close the accounts immediately. When you open new accounts, insist on password-only access. If your checks have been stolen or misused, stop payment. If your ATM card has been lost, stolen or otherwise compromised, cancel the card and get another with a new PIN.
- If an identity thief has established new phone or wireless service in your name and is making unauthorized calls that appear to come from - and are billed to - your cellular phone, or is using your calling card and PIN, contact your service provider immediately to cancel the account and calling card. Get new accounts and new PINs.
- If it appears that someone is using your SSN when applying for a job, get in touch with the Social Security Administration (SSA) to verify the accuracy of your reported earnings and that your name is reported correctly. Call (800) 772-1213 to check your Social Security Statement.
- In addition, the SSA may issue you a new SSN at your request if, after trying to resolve the problems brought on by identity theft, you continue to experience problems. Consider this option carefully. A new SSN may not resolve your identity theft problems, and may actually create new problems. For example, a new SSN does not necessarily ensure a new credit record because credit bureaus may combine the credit records from your old SSN with those from your new SSN. Even when the old credit information is not associated with your new SSN, the absence of any credit history under your new SSN may make it more difficult for you to get credit. And finally, there's no guarantee that a new SSN wouldn't also be misused by an identity thief.

- If you suspect that your name or SSN is being used by an identity thief to get a driver's license, report it to your Department of Motor Vehicles. Also, if your state uses your SSN as your driver's license number, ask to substitute another number.

Stay Alert

Taking the steps outlined here should, in most cases, resolve your identity theft problems, but identity theft or related credit problems may reoccur. Stay alert to new instances of identity theft. Notify the company or creditor that's involved immediately. Follow up in writing. Order a copy of your credit report from the three credit bureaus every year to check on their accuracy and whether they include only those debts and loans you've incurred. This could be very important if you're considering a major purchase, such as a house or a car.