



Department of
Taxation

Ohio Tax Fraud Update

- In 2015, the Ohio Department of Taxation (ODT) experienced another significant and growing increase in attempts by personal identity thieves to steal state funds through fraudulent refund claims.
- Through August, more than 168,000 fraudulent returns were intercepted, a 260 percent increase from the 64,000 returns blocked during all of 2014. ODT officials anticipate discovering even more illegitimate returns in the remaining months of 2015.
- Though fraud attempts were up, the amount of money thieves attempted to steal in 2015 was down from the previous year. ODT officials credit enhanced security measures, including the ID Confirmation Quiz, for discouraging high dollar refund requests by criminal filers.
- Through August, the department prevented the theft of more than \$160 million in addition to the \$277 million in 2014 when the unprecedented incidence of fraud began. Total attempted fraud blocked in 2014-15: \$437 million.
- ODT is estimating the loss rate to digital thieves in 2014 at approximately 1.5 percent of all refund requests received.
- More than 90 percent of illegal returns were blocked but department analysts believe criminals using stolen Social Security numbers and other personal information took \$28 million in illegitimate refunds in 2014.
- The department has recovered about \$4 million with the assistance of various banks where fraudulently obtained refunds were sent. The department is continuing to work with banks, and federal and state law enforcement to recover more.