

Identity Theft

What is it? Can it happen to you? The chances are greater than you think.



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Let's say your wallet is missing after a night out in the Fan. You cancel your "plastic," head to the DMV for a new driver's license, and you pick out a swanky new wallet at Stony Point Fashion Park. You think that the headache is over, but for the next few months you receive threatening letters and phone calls from creditors for enormous debt that you swear is not yours, and you were recently turned down for a loan.

Although not a new crime, identity theft is sharply and eerily on the rise today both in Virginia and nationwide, spurred on by the advancement of the Internet and the widespread use of computers. In fact, one out of five unsuspecting Americans are victims of identity theft every year. These victims suffer devastating effects on their individual credit and spend countless administrative hours and dollars trying to correct both the financial and credit damage. Furthermore, financial institutions and merchants estimate that they have lost more than \$5 billion dollars due to identity theft. Recognizing the seriousness of the rampant spread of this cyber-crime, the Virginia General Assembly passed the Identity Theft Protection Act in 2003. Identity theft is a federal crime as well, prosecuted by the United States Department of Justice.

Identity theft occurs when a con-artist obtains any of your personal identifying information (your name, Social Security number or credit card number) without your knowledge and fraudulently uses it to open any number of financial accounts in your name such as additional credit cards and credit lines, loans for cars and real estate, or even an expensive cell phone package. The con-artist then obtains the financial benefit from these accounts by going on a spending spree for lots of "big-ticket" items at your expense -- literally. The thief may also be busy simultaneously draining your existing bank accounts of any liquid funds.

In order to prevent such financial sabotage, there are a number of positive steps that you can take to try to protect your financial security. Request the removal of your name in writing from the marketing lists of the three credit reporting agencies (Equifax, Experian, and Trans Union) so that you will not receive as many credit card solicitations that identity thieves could intercept. Order a copy of your credit report every year to monitor that no one has tampered with your accounts. Do not list your Social Security number, credit card account number, middle name or home telephone number on your checks. Consider installing a lock on your mailbox or using a post office box to reduce the risk of mail theft. Close credit accounts that you do not use frequently, and only carry one or two credit cards in your wallet. Photocopy the contents of your wallet and keep a list of the toll free contact numbers in a safe place in case you need to cancel your credit cards in a hurry. Only give your credit card number over the phone when you have initiated the call and are familiar with the business. Always take your ATM and credit card receipts with you instead of dumping them into a public trash can and shred them at home along with unwanted credit card solicitations.

If you believe that you are the unfortunate victim of identity theft, immediately contact your local law enforcement official, file a police report, and make sure to get a copy of it for your records. Without missing a beat, also contact the fraud department of your credit bureau to put a fraud alert on your credit file. With that alert in place, all companies have to contact you by phone before issuing any new credit in your name. Next, it is crucial that you close by phone and in writing those accounts that the thief has either altered or unlawfully opened. In most cases federal law limits your liability to \$50 per card. Attorney General Jerry Kilgore's Task Force on Identity Theft has created an Identity Theft Affidavit to assist you in notifying individual companies of unauthorized accounts and disputed debt. Kilgore's Task Force has also initiated an Identity Theft Passport for victims to carry for their own protection as proof of filing of a police report alleging identity theft. You can request copies of these documents as well as a booklet entitled "How to Avoid Identity Theft - A Guide for Victims of Identity Theft" at cybercrime@oag.state.va.us. Lastly, file your complaint with the Federal Trade Commission, a federal agency that keeps a database tracking incidences of identity theft on a national level.

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