



Fred J. Toroni & Company

CERTIFIED PUBLIC ACCOUNTANTS

Tis the season for lots of shopping! One gift you don't want to share is your identity.

According to Neil Parmer for SmartMoney, published 12/14/09, "Identity theft is on the rise: Last year 9.9 million consumers had their data stolen, a 22% jump from 2007." Our electronic society has made identity theft even more prevalent. If your identity gets stolen, it can be a frightening and compromising situation. Consider the following action steps to help you avoid identity theft and the need to recover your own identity.

- 1) **Check your credit scores regularly.** The top three major credit reporting agencies—Equifax, Experian, and TransUnion—are required to provide you with a free credit report annually. If you request a report from one of these agencies every 4 months, you can obtain a copy of your annual credit picture for free.
- 2) **Pick a card, any card?** When deciding whether to use a credit card or debit card, consider this: According to the Public Interest Research Group, PIRG, "Legally, your ultimate liability for fraudulent use of a credit card is generally only \$50. And when a credit card is random used, you are also only disputing what you owe the bank. If your debit card is used fraudulently, the thief robs your checking account. Worse, unlike a credit card, under the law, your debit card liability could be as much as \$500 if you notify the bank more than 48 hours after you learn of the problem or even up to all the money in your checking account, plus your maximum overdraft line of credit if you fail to notify the bank within 60 days."

Also consider designating one credit card for online purchases. This practice makes it easier to spot any questionable purchases easily as your review your statement monthly or more frequently online.

- 3) **Don't take Phisher's bait!** The practice known as phishing is to trick a recipient into revealing personal and financial information. Phishers design websites to look like legitimate enterprises and gather data with the intent of using it to scam consumers. Conduct your shopping on only trusted and secure websites.
- 4) **Technological Safety** OnGuard Online suggests using anti-virus and anti-spyware software, as well as a firewall, and to update them all regularly.

Take a few action steps to avoid the aggravation and negative impacts of identity theft. Talk to your CPA at **Fred J. Toroni & Company** about securing your credit reports.