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Tax Crime Problems in Tampa, say IRS

Tax fraud has been on the rise of late, not surprisingly so given the state of the economy. Most prevalent is identity theft where fraudsters access personal identification details of other people and file false electronic tax returns to claim tax refunds. In the Tampa Bay area, a task force comprising Tampa police, the US Postal Inspection Service, the Secret Service and other government agencies has been formed to address the crime. The estimated \$100 million in tax refunds suspected to be fraudulent flagged by the IRS over a 6 month period this year represents but the tip of the iceberg. It is estimated that tax fraud amounts to at least \$1 billion in the Tampa Bay area alone.

According to a recent report by the Treasury Inspector General for Tax Administration (TIGTA), more than 580,000 identity theft cases were reported nationwide through August this year. As such, lawmakers have been pressing the IRS to do more to stem the spreading of a massive tax fraud scheme that could be costing the government billions of dollars in revenue.

Prevention is better than cure, so the saying goes and it appears to be the stand taken by lawmakers in Florida in combating this menace. Rep Todd Platts (R-Pa) said in Washington, "The best way to protect the victim is prevent the fraud in the first place."

The police in Tampa say their efforts have been hampered by the IRS in Washington in investigating and prosecuting suspects. This is because of privacy laws that prohibit the IRS from disclosing personal tax information to third parties including the police. The IRS said there are currently 32 investigations going on in Tampa.

The IRS has admitted there have been some issues in how the crime has been handled in Tampa. “We might have had a foot fault in Tampa — admittedly,” said Steven Miller, IRS deputy commissioner for services and enforcement. He continued, “We are doing better in Tampa and we are taking steps to get better in Tampa.”