Identity Theft â€“ Georgia Gets it Right

July 5, 2011 â€“ Last week, the State of Georgia got the green light from a federal judge to implement major portions of a new law aimed at stopping illegal immigration. Regardless of your views on this topic, Georgiaâ€™s new law hit the nail on the head with a provision that makes it a felony to use false or stolen documentation to obtain a job. This one provision may provide much needed assistance to those who face tax problems with the IRS when other people use their personal information to obtain work.

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})();

Taxpayer identity theft is a serious and growing problem. In some cases, criminals will file an early tax return that produces an unwarranted tax refund.

In other cases, illegal aliens will use a taxpayer identification â€“ usually a Social Security number â€“ that is stolen to obtain a job. When this occurs, their income is reported to the IRS. As you might imagine, the first notice that the taxpayer may have a problem is when they get a notice from the IRS saying that they have not reported all of their income.

As with other forms of ID theft, sorting out a mess like this can take countless hours. But unlike other forms of ID theft, this particular form leaves the victim at the mercy of the IRS. That is not a scenario which most people would relish. It can significantly delay any expected tax refunds and leaves the victim in the unfortunate position of having to prove that the income really isnâ€™t his or hers; not always an easy proposition.

Under the new Georgia law, employers are required to use the federal governments E-verify database to confirm worker eligibility when hiring. Anyone applying for a job using false documents can now be fined up to $250,000 and receive a prison term of up to 15 years.

The portion of Georgiaâ€™s law dealing with the use of false documents went into effect last Friday. Other portions of the law are still being reviewed in the federal courts.

byJim Malmberg
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