Unclaimed Property Scam May Lead to ID Theft

October 27, 2014 - A new scam that appears to have started in Ohio could easily spread across the country since there are virtually no barriers to it. The Ohio Department of Commerce is warning state residents not to respond directly to any postcards they receive which tell them that the state may be holding unclaimed funds belonging to them. Anyone who does respond could be setting themselves up to be a new victim of identity theft.

Tweet

(function() {
var s = document.createElement('SCRIPT'), s1 = document.getElementsByTagName('SCRIPT')[0];
s.type = 'text/javascript';
s.src = 'http://widgets.digg.com/buttons.js';
s1.parentNode.insertBefore(s, s1);
})();

(function() {
var po = document.createElement('script'); po.type = 'text/javascript'; po.async = true;
po.src = 'https://apis.google.com/js/plusone.js';
var s = document.getElementsByTagName('script')[0]; s.parentNode.insertBefore(po, s);
})();

The scam is very simple. There is a company mailing post cards which tell the recipient that the state may be holding unclaimed funds in their name. In this case, the state is Ohio, but there is really nothing to prevent the company from targeting residents of other states too. Anyone receiving the card is asked to call a phone number printed on the card to make an inquiry.

When the recipient places the call, the person answering the call asks for the recipient's social security number. Once the caller provides the information, he or she is told to search for any funds being held at www.unclaimed.org (a legitimate website which is actually the official website for the National Association of Unclaimed Property Administrators).

In the case of Ohio, the state believes that the company mailing the cards is actually a debt collector that is attempting to gather information from consumers to for debt collection purposes (this has not however been confirmed). If this is the case, then the chances that the information will be used to commit identity theft are probably low. But anyone responding could find themselves receiving collection notices relatively soon afterward. And since the debt collector isn't registered with the State of Ohio, they can't legally target residents of the state.

With that said, there is absolutely no barrier to entry for this scam for identity thieves. So here are a few things that you should know if you receive a postcard like the one mentioned above.

First, anyone can search for unclaimed funds at the site mentioned above. There is no need to provide your social security number to conduct such a search. So if you receive a card like the one mentioned here, your best course of action is to throw it out.

Second, If it turns out that a state is holding money that you can claim, the official claim forms are available through your state. The website will direct you to the proper forms, which you can download and fill out. Depending upon the state you live in, you may have to provide copies of your identification. And you may also have to provide your social security number. But none of that information will be taken from you by phone. You will have to mail it to a state office.

Third, if you think you have been victimized in scam such as this, you need to start watching your credit and bank account statements carefully. You should consider placing a fraud alert on your credit file and you may also want to consider a credit freeze. You should also report the incident to the appropriate state office (usually, the Secretary of State is responsible for unclaimed funds) and file a police report.

And finally, you should never provide your SSN to someone over the phone unless you actually know who you are talking to and why you are providing the information. This means that if anyone calls you and asks for your SSN, you refuse. And if you receive an email message, post card or letter that request you to call a number and then provide your SSN, you should actually look up the phone number on your own for the party you think you are calling.

For information on credit freezes, see our special report located here.
byJim Malmberg
Note: When posting a comment, please sign-in first if you want a response. If you are not registered, click here. Registration is easy and free.
Follow me on Twitter:

Follow ACCESS