

FED Releases Report on Synthetic Identity Theft

July 10, 2019 - Yesterday, the FED released a new white-paper on synthetic identity theft. The type of ID theft occurs when criminals form a new identity, usually using a legitimate stolen social security number in combination with a fake name and address. According to the FED, this is now the fastest growing form of financial crime and the data included in it is sobering.

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);  
})();
```

In 2016 - the last year for which data is available - lenders lost more than \$6 Billion as a result of synthetic ID theft. These false identities were responsible roughly 5% of all bad accounts and 20% of total lender write offs. Those numbers only include bank issued accounts. The number increases when store credit card data is included.

The average charge written off due to synthetic identity theft was \$15,000. In one case cited by the report, a ring of international thieves managed to steal somewhere between \$200 Million and \$1 Billion over the course of years before they were stopped. The actual amount isn't known because this type of fraud is very difficult to trace.

The report talks in some detail about the long term impact of synthetic ID theft to the individuals who had their SSN's stolen. In many cases, they were children or the elderly. In both of those cases, the crime can go undetected for years. And when it is discovered, victims can find that they no longer qualify for credit and that they may also be unemployable.

The report is a very quick but informative read. You can find it [here](#).

by Jim 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 ACCESS

