

Fact Sheet: Identity Theft

Identity Theft – A Growing Problem

You've probably heard the term "identity theft" on the news lately. It's a growing problem that costs victims over \$5 billion per year. If someone steals your identity to get credit cards, loans, or a cell phone with your personal financial information, you become responsible for someone else's spending spree. Nearly 10 million people per year have their credit reports damaged by identity theft.

Even worse, it can take months or even years to repair the damage of identity thieves. While trying to sort this out, you could be denied credit, mortgages or even jobs as the result of someone else's actions. For you as a student or recent graduate, being a victim of identity theft could jeopardize your financial future just as you are beginning to establish your credit record.

Though college students don't generally carry a lot of cash, they are particularly attractive to identity thieves because students often rely on debit and/or credit cards to shop online and pay bills.

How Identity Theft Works

Thieves get your personal information by stealing your wallet or mail, by stealing your computer passwords, or even posing as a legitimate company to fool you into revealing information.

After they have your personal information, thieves have a number of strategies for stealing in your name...

- They may call your credit card issuer to **change your billing address**. Because your bills are being sent to a different address, it may be months before you recognize the unauthorized charges.
- They may **open new credit accounts** in your name, including credit card, phone, utilities, or even car loans. When they don't pay the bills, the delinquent accounts are reported on your credit report.
- They may **open a bank account** in your name and write bad checks from that account.
- They may **get identification** in your name, such as a driver's license issued with *their* picture.
- They may **give your name to the police** during an arrest. If they don't show up for their court date, a warrant for arrest is issued in your name.



Preventing Identity Theft

To help protect your identity online, don't use important personal information (like your birth date, mother's maiden name, or Social Security number) as passwords. Here are some more ways you can protect yourself from identity theft:

- Protect your Social Security number and passwords. Don't carry them with you.
- Don't give your Social Security number to everyone who asks – only employers, government agencies, and financial institutions actually need your number.
- Report lost or stolen credit cards immediately.
- Check your monthly credit card and bank statements for unusual activity. Check your credit report free at AnnualCreditReport.com.
- Be aware that public computers can have a "key logger" program installed that records every keystroke – including your passwords and other sensitive information.
- Be wary of emails asking you to "verify" your personal information – this could be a "phishing" scam.
- Thieves also may try to trick you into revealing personal information by phone, which is known as "pretexting". Never give personal information unless you made the call.

If you do become a victim of identity theft, contact local law enforcement and one of the three credit reporting agencies to put a fraud alert on your file.

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