IRS Communications & Liaison
Stakeholder Liaison

Data Breach Tax Tips for Tax Pros

(Click the links for more information)

Data Breach Red Flags

- Slow or unexpected computer or network responsiveness such as:
  - Software is slow or actions take longer to process than usual.
  - Computer cursor moves or changes numbers without touching the mouse or keyboard.
  - Unexpectedly being locked out of a network or computer.
- Client tax returns are being rejected because their Social Security number was already used on another return.
- IRS authentication letters (5071C, 6331C, 4883C, 5747C) are being received even though a tax return hasn't been filed.
- Getting more e-file receipt acknowledgements than the tax professional actually filed.
- The IRS disabled the tax professional's online account.
- Transcripts are being delivered to the tax professional's Secure Object Repository that they did not order.
- Notification from the IRS that the tax professional's Centralized Authorized File number has been compromised. If they suffer a data breach, they should take proactive steps to protect their CAF number and consider requesting a new one to protect themself and their clients.
- Notification from the IRS regarding a client that they do not represent.

Ways to Protect Your Data

- Use multifactor authentication
  - Returning users must enter their username and password plus one or more other items, for example a security code sent as a text to a mobile phone. Tax professionals should use multi-factor authentication wherever it is offered, especially for cloud storage providers, email providers, financial institutions and social media.
  - All online tax preparation products for tax professionals offer the option for multi-factor authentication as an additional protection for accounts. The IRS strongly urges all tax professionals to use this option. Many data thefts from tax pro's offices could have been stopped had preparers used this tool.
- Install anti-malware/anti-virus security software on all devices (laptops, desktops, routers, tablets and phones) and keep software set to automatically update.
- Use responsible passwords:
  - Create passwords of at least eight characters (longer is better), Use special and alphanumeric characters, Use passphrases instead of passwords, Use a different password for each account, Password protect wireless devices, Consider a password manager program.
- Encrypt all sensitive files/emails and use strong password protections.
- Back up sensitive data to a safe and secure external source not connected fulltime to a network.
- Wipe clean or destroy old computer hard drives and printers that contain sensitive data.
- Limit access to taxpayer data to individuals who need to know.
- How to maintain, monitor and protect your EFIN | Internal Revenue Service
- Monitor Returns Filed per PTIN | Internal Revenue Service

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IRS Online Tool

- The fastest way to receive an IP PIN is to request one through your online account, under your "Profile" page: Online Account for Individuals.
- To learn more about how an IP PIN can protect you from tax-related identity theft, visit: Get an Identity Protection PIN.

IRS Resource Publications

- Publication 4557 *Safeguarding Taxpayer Data: A Guide for Your Business*
- Publication 5199 *Tax Preparer Guide to Identity Theft*
- Publication 5293 *Data Security Resource Guide for Tax Professionals*
- Publication 5367 *Identity Protection PIN Guide*

IRS Resource Forms

- Form 15227 *Application for an Identity Protection Personal Identification Number (IP PIN)*
- Form 14039 *Identity Theft Affidavit*

IRS Website

- Dirty Dozen | Internal Revenue Service
- Identity Theft Central | Internal Revenue Service

Report your Data Breach immediately to *Ohio Stakeholder Liaison, Nichelle Gray (216/415-3512)*. IRS stakeholder liaison will ensure all the appropriate IRS offices are alerted. If reported quickly, IRS can take steps to block fraudulent returns in the clients' names and will assist tax pros through the process. Speed is critical.