Tax Season Scams/Frauds – Prior to 2011, no license or certification (except in California, Maryland, and Oregon) was needed to be a tax preparer. Now all tax preparers must have a Preparer Tax Identification Number (PTIN). To obtain a PTIN, preparers must obtain a background check, take a competency test and participate in continuing education (except Accountants, Attorneys, and IRS Enrolled Personnel). The IRS also instituted ethical rules for paid tax preparers, this way they can be suspended or disciplined if they engage in unethical or disreputable conduct. The 2011 rules only apply to paid tax preparers, and not to free tax-preparation services or tax shelters such as those offered through government or civic organizations. Remember that you are ultimately liable for your tax return.

Be cautious of the following:

- Fly by night places that pop up during tax season. Because of the variety of taxes, tax preparation is a year-round activity. As such, tax preparation places should be present, open, and busy year-round.

- Tax preparers who do not sign their work. Preparers should verify and validate the work performed.

- Tax preparers that base their fee on the amount of your return. Such preparers may apply questionable or inapplicable credits/deductions in order to inflate the fee charged. Then later, when your taxes submitted and reviewed by the IRS, you will be left solely accountable to answer for any discrepancies/inaccuracies.

- Beware of tax loans that give you money prior to receiving your rebate from the IRS. These loans have high cost, fees and interest. Additionally, preparers may inflate your estimated return for purposes of the loan, only to add fees and costs when the actual smaller return arrives.

- Beware of unsolicited communications from the IRS, whether by telephone, e-mail, or letter. These forms of communication may even use threats of tax fraud, tax evasion, or an offer of larger returns to entice you to respond and provide personal information. But the fact is you simply cannot trust unsolicited forms of communication, not even Caller ID. Generally, IRS does not send unsolicited e-mails or telephone calls to taxpayers.

If you have any questions or concerns about the information discussed above, or if you suspect something, please feel free to contact the following:

- Internal Revenue Service: 1-800-829-1040