

# How Identity Theft Occurs

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In the course of a busy day, you may write a cheque at the grocery shop, charge theatre tickets, rent a car, post your tax returns, change service providers for your cell phone, or apply for a credit card. Chances are you don't give these everyday transactions a second thought. But an identity thief does. Identity theft is a serious crime. People whose identities have been stolen can spend months or years and thousands of dollars cleaning up the mess the thieves have made of a good name and credit record. In the meantime, victims of identity theft may lose job opportunities, be refused loans for housing or cars, and even get arrested for crimes they didn't commit. Despite your best efforts to manage the flow of your personal information or to keep it to yourself, skilled identity thieves may use a variety of methods to gain access to your data.

How identity thieves get your personal information:

- They may get information from businesses or other institutions by:
  - o stealing records or information while they're on the job
  - o bribing an employee who has access to these records
  - o hacking these records
  - o conning information out of employees
- They may steal your mail, including bank and credit card statements, credit card offers, new cheque books or tax information.
- They may rummage through your rubbish bins, the rubbish bins of businesses, or even public rubbish dumps.
- They may steal your credit or debit card numbers by capturing the information in a data storage device in a practice known as "skimming." They may swipe your card for an actual purchase, or attach the device to an ATM machine where you may enter or swipe your card.
- They may steal your wallet or purse.
- They may complete a "change of address form" to divert your mail to another location.
- They may steal personal information they find in your home.
- They may steal personal information from you through email or phone by posing as legitimate companies and claiming that you have a problem with your account.

How identity thieves use your personal information:

- They may call your credit card issuer to change the billing address on your credit card account. The imposter then runs up charges on your account. Because your bills are being sent to a different address, it may be some time before you realise there's a problem.
- They may open new credit card accounts in your name. When they use the credit cards and don't pay the bills, the overdue accounts are reported on your credit report.
- They may establish phone or wireless service in your name.
- They may open a bank account in your name and write bad cheques on that account.
- They may issue counterfeit cheques or credit or debit cards, or authorize electronic transfers in your name, and drain your bank account.
- They may buy a car by taking out a car loan in your name.
- They may get identification such as a driver's license issued with their picture, in your name.
- They may get a job or file fraudulent tax returns in your name.

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John Mussi is the founder of Direct Online Loans who help UK homeowners find the best available loans via the

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