

Identity Theft - Early Detection Is Key

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Protecting yourself from Identity Theft (ID Theft) is an important matter. ID Theft is defined by the Federal Trade Commission (FTC) as, "when someone uses your name, address, Social Security number, bank or credit card account number, or other identifying information without your knowledge to commit fraud or other crimes."

In a summary report dated September of 2003, the FTC reported that "almost 10 million Americans have discovered that they were the victim of some form of ID Theft within the last year." Further, the FTC estimates that the "total cost of this crime approaches \$50 billion per year." (The report can be viewed and printed at <http://www.ftc.gov/os/2003/09/synovatereport.pdf>.)

Though preventing ID Theft is ideal, also important is your ability to quickly determine when your identity is being used without your knowledge. Early detection is essential in preventing undue loss, as well as protecting your credit from long-term damage. One means of finding out if you have been a victim of ID Theft is through the use of a credit report.

A credit report is a list of all credit cards, debts, accounts, and other information associated with your social security number. That is, by going to the website of one of the three main credit reporting agencies and running a credit report, you will be able to see all the financial information linked to your social security number. Most importantly, you may be able to identify an error or fraudulent activity.

When viewing your credit report online, information will be given in seven sections: personal information, account information, inquiries, collections, public records, consumer statement, and dispute file information. One of your main objectives should be to verify all accounts and information as being valid. Carefully read the entire credit report looking for errors or anything unfamiliar. If you should see something out of the ordinary or wrong, contact the credit reporting agency immediately- you may be a victim of ID Theft.

Equifax, one of the three major credit reporting agencies, says you should, "Check your credit report regularly. Checking your credit report can help you catch mistakes and fraud before they wreak havoc on your personal finances. Make sure your report is accurate and includes only those activities you've authorized. It's also a good idea to review your credit report from each of the three major credit reporting agencies every year -- it's possible that information is reported to one but not the others."

To that end, Equifax has developed a great tool for running your credit report. It is called the "3-in-1 Credit Report". You can sign-up with Equifax and view your information with all three major credit reporting agencies at one time (this can also be done through the other two credit reporting agencies- TransUnion and Experian). Currently, this detailed report costs around \$30 on the Equifax website (www.equifax.com) and is well worth it. Running your credit report is an important first step in prevention and early detection of ID Theft.

For tips on how to further protect yourself from ID Theft, or if you believe your identity has been stolen, please visit the FTC website (<http://www.consumer.gov/idtheft/>).

About The Author: Jonathan Citrin provides financial goal planning services. Go to <http://articles.citringroup.com> for hundreds of educational articles about personal finance, retirement planning, investment planning, and college savings.