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## **ADVISORY: CHECK CASHERS ARE URGED TO BE ON GUARD FOR FRAUDULENT TAX REFUND CHECKS**

It is income tax season again and customers will be visiting your stores to cash tax refund checks. The Florida Office of Financial Regulation (OFR) urges all check cashers to beware of fraudulent tax refund checks.

Tax refund check fraud has become the third largest theft of federal dollars with Tampa and Miami having the highest concentrations of fraudulent activity. The scam involves using a stolen social security number to file a fraudulent tax return and cashing the refund check. In these scams, the person presenting the check is not the true taxpayer. Check cashing services are more frequently used to cash the fraudulent refund check in part because the criminals might believe the transaction will be more closely examined at a financial institution.

The [Internal Revenue Service \(IRS\) website](#) has more information and offers the following tips on how to identify potentially fraudulent refund checks:

- Address, city, or state printed on the refund checks are not in close or reasonable proximity to the location of your business.
- Customer or multiple customers arriving at your location within a relatively short period of time and the checks being presented for cashing are issued for the same amount or within dollars of each other.
- Multiple refund checks with different names going to the same address or close proximity.
- Customer or multiple customers cashing refund checks which are sequentially numbered or only a few numbers apart.
- Endorsement (handwriting) on the back of the check does not match their identification.
- Multiple checks with different names with the same endorsement (handwriting).
- Address on the customer's identification does not match the address printed on the check.
- Driver's license number is inconsistent with Florida's number system which always begins with the first letter of the person's last name followed by a series of number as follows: Axxx-xxx-xx-xxx-x.
- Customer using the identification is not the person listed on the check.
- Picture on the identification is not consistent with the age noted on the identification.
- Higher volume of customers with Individual Taxpayer Identification Numbers (ITINs). ITINs are issued when the customer is not able to secure a Social Security Number. ITINs are a nine-digit number that always begin with the number 9 and are formatted as 9XX-74-XXXX.
- One individual cashing multiple tax refund checks with a Power of Attorney for different individual tax payers.

Fraudulent activity is one of the reasons it is imperative you are in compliance with the record keeping requirements for check cashers contained in Chapter 560, Florida Statutes. These requirements include, but are not limited to, retaining the proper records of the transactions such as the front and back of the check, the thumbprint of the individual cashing the check, and following proper anti-money laundering guidelines.

If you believe you have cashed a tax-refund check resulting from a fraudulent return, please contact the IRS by calling (404) 338-9437 or by emailing [sbse.sar.use@irs.gov](mailto:sbse.sar.use@irs.gov). If you have reason to believe that a check casher is actively involved in this or any other type of fraud, contact the OFR at 850-410-9895.