



FinCEN news releases are available on the internet and by e-mail subscription at [www.fincen.gov](http://www.fincen.gov).  
For more information, please contact FinCEN's Office of Public Affairs at (703) 905-3770

FOR IMMEDIATE RELEASE  
July 13, 2015

CONTACT: Steve Hudak  
703-905-3770

## FinCEN Combats Stolen Identity Tax Refund Fraud in South Florida with Geographic Targeting Order

### 'GTO' Enhances Identification Requirements on Customers Cashing Tax Refund Checks at South Florida Check Cashers

WASHINGTON, DC – The Financial Crimes Enforcement Network (FinCEN) issued a [Geographic Targeting Order](#) (GTO) today for South Florida check cashers to temporarily enhance the identification requirements on customers cashing Federal tax refund checks. South Florida has become a hotbed for stolen identity tax refund fraud. In a typical scheme, the criminal files a fraudulent tax return after stealing a victim's identity and then cashes the refund check at a local check casher. The criminal typically cashes the check using fake identification in an attempt to evade law enforcement. FinCEN's GTO will make it much more difficult for these criminals to remain anonymous.

The GTO will require check cashers in Miami-Dade and Broward counties to obtain and record additional identifying information about customers cashing tax refund checks over \$1,000. This includes a copy of the customer's identification, a digital photograph of the customer taken at the time of the transaction, the customer's phone number, and in accordance with Florida law, the customer's thumbprint. Such information will significantly assist law enforcement's ability to identify and prosecute the individuals behind stolen identity tax refund fraud schemes.

"Combating fraud against the U.S. government is a top FinCEN priority," said FinCEN Director Jennifer Shasky Calvery. "Our unique authorities, such as the ability to issue GTOs, enable us to partner with law enforcement in attacking stolen identity tax refund fraud from every angle. This GTO will help ensure that the perpetrators of these schemes can no longer hide their face while our national treasury is looted and innocent victims spend countless hours and personal expense working with government to reclaim their true identities."

FinCEN issued the GTO in close coordination with the Internal Revenue Service (IRS) and the U.S. Attorney's Office for the Southern District of Florida (SDFL), which established the South Florida Identity Theft Tax Fraud Strike Force to combat the rising wave of stolen identity tax

refund scams. FinCEN also appreciates the assistance of the Florida Office of Financial Regulation.

Check cashers subject to the GTO must comply with its requirements from August 3, 2015 through January 30, 2016. FinCEN, the IRS, and SDFL are particularly concerned that identity thieves are attempting to perpetrate their schemes outside of tax filing season in hopes that their illegal activity will catch financial institutions off guard and be more likely to slip through their anti-money laundering controls, which are aimed at preventing criminal funds from entering and moving through the financial system. The GTO will, therefore, cover a time period in which the proportion of fraudulent tax refund transactions is high, but the total volume of transactions is relatively low. This minimizes burden on covered check cashers while capturing higher risk transactions.

“For the past several years, the State of Florida and IRS Criminal Investigation have seen a significant increase in Stolen Identity Refund Fraud cases,” said Richard Weber, Chief, IRS Criminal Investigation. “One common thread in many investigations was the ability of criminals to cash tax refund checks with little fear of repercussion. Using this information from countless investigations, we felt that more needed to be done on the front end to prevent this type of crime from happening and to make it more difficult for criminals to successfully steal a person’s identity. By issuing this Geographic Targeting Order, the Treasury Department has put a roadblock in the path of those who would steal another person’s identity. This GTO will make it difficult for these criminals to reap the rewards of their actions and the end result will be fewer losses to the U.S. Treasury and taxpayers.”

U.S. Attorney Wifredo A. Ferrer for the Southern District of Florida stated, “Prosecuting stolen identity tax refund fraud remains a top priority for the U.S. Attorney’s Office. We greatly appreciate the continued efforts of FinCEN and the IRS in this area and look forward to working with financial institutions in the private sector through this GTO in order to further combat these fraudulent schemes that impact our South Florida communities.”

FinCEN emphasized that the purpose of the GTO is to enhance the transparency of certain tax refund transactions at South Florida check cashers and to prevent evasion of BSA reporting requirements. It does not represent any determination concerning any check casher’s knowledge or lack thereof of the fraudulent schemes. It also imposes no obligation on financial institutions that are not expressly covered under the GTO.

A copy of the Order is available [\[here\]](#). Failure to comply could result in substantial criminal and civil penalties.

Any questions about the Order should be directed to the FinCEN Resource Center at 800-767-2825.

###

*FinCEN’s mission is to safeguard the financial system from illicit use and combat money laundering and promote national security through the collection, analysis, and dissemination of financial intelligence and strategic use of financial authorities.*