

Identity Thief Receives Nearly 4 Years in Prison

A suspect used “convenience checks” issued by credit card companies to steal nearly \$1 million, travel internationally, and purchase expensive items and real estate. The suspect engaged in a scheme for five years in which he created 20 fake identities and more than nine bogus business entities for which he obtained credit cards. The suspect used Social Security numbers, which either belonged to identity theft victims or were nonexistent.

The suspect used scores of mailboxes, mail drops and commercial mail receivers in several states to accomplish this scheme, and frequently changed addresses in order to make it more difficult for his fraud to be uncovered. Using bogus or stolen identities, the suspect obtained over 100 accounts with 25 different banks. The scheme initiated when the suspect started a business to help people with credit problems. This allowed the suspect access to reports from one of the three major private credit tracking agencies.

The suspect made payments regularly on some of the cards in order to increase the credit limit. Eventually, the suspect would “bust out” the card, maxing out the credit limit by making purchases and cashing the convenience checks before abandoning the account.

This case was initiated based on the filing of a Suspicious Activity Report and was investigated by the Internal Revenue Service-Criminal Investigation.

(Source: Internal Revenue Service)

[Published in The SAR Activity Review – Trends, Tips & Issues, Issue 9, October 2005]