What is Identity Theft?

Allow students to brainstorm the answer to the question.
Identity theft is one of the fastest growing crimes that affects people all over the world. It is using a person’s private information without their knowledge for personal gain.
Identity Theft and Credit Safety

How does it happen?

How does identity theft happen?
The individual gains access to your information by:  
- Robbing the account holder  
- Searching through trash for documents  
- Phishing  
- Skimming

The individual gains access to your information by robbing the account holder, searching through trash for documents, phishing (defrauding an online account holder of financial information by posing as a legitimate company) or skimming (steal credit/debit card numbers by using a special storage device when processing your card.)
There are two ways to report identity theft. You can contact credit bureaus (places a fraud alert and security freeze on the account to prevent access to your personal information and ability to open new accounts.) You can also file a police report where the crime occurred to create an “identity theft report.”
After your report the identity theft, you also should contact the Federal Trade Commission (FTC). The FTC will share information of your case nationwide. Then, contact the bank and credit card companies to report theft and request new cards and account numbers to be issued.
The time to fix identity theft varies by each case. Early detection could help minimize the effects. This is why it is important to monitor your credit score at least once yearly through the free credit reporting agencies.
Protect yourself from identity theft by practicing safe internet use - do not send personal information via e-mail, make online purchases through secure websites. Destroy financial records by tearing or shredding any document containing personal information. Guard social security information by keeping it in a secure place at home or in a safe deposit box.
Check credit reports once a year through free credit reporting agencies, such as Equifax, Experian or Trans Union. Monitoring your credit report will allow you to see any suspicious activity. Some credit card companies offer plans to help protect you from identity theft such as Identity Theft Protection plans.
Resources and References

Images:
- Microsoft Office Clip Art: Used with permission from Microsoft

Websites:
- Credit Union National Association
  http://anytime.cuna.org/15608/index.php
- Financial Literacy Now
  http://www.financiallitnow.org/index.shtml
- Practical Money Skills
  https://www.practicalmoneyskills.com