

Child Identity Theft: When Criminals Steal a Minor's Identity

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A parent's list of worries seems never-ending. Parents worry about their children's physical safety, their futures, their educations, and their character. Fortunately, when it comes to their financial reputations, young children are out of harm's way: parents do not need to worry about their children's personal finances until they mature into teenagers and young adults, right?

Sadly, from the time your children receive Social Security numbers, which often happens within days of birth, their personal information needs to be monitored and protected so that they don't become targets of identity fraud.

Most parents think it's crazy to worry about the credit and financial reputations of a kindergartener, but in recent years, children and adolescents have become the fastest growing sector of identity fraud victims.

Though youngsters seem like unlikely victims, identity thieves consider children easy targets. Their squeaky-clean credit histories make them appealing to criminals who want to open new credit accounts. And because children don't normally review their credit reports, identity thieves can hide criminal behavior for years. Some children learn they have years-old collection debts when they apply for their first credit card, automobile loan, or student loan.

Consider what this means to children approaching adulthood: Instead of starting with a clean slate, these innocent victims have bad credit before they have even started their careers, obtained their first credit card, or bought their first home.

Bad credit means they will pay high interest rates on credit cards and car loans. They might even be denied traditional credit cards. In some states, people with poor credit pay higher car insurance premiums, and some landlords refuse to rent to them.

Victims of identity theft are even denied job opportunities because of their bad credit. In the worst-case scenarios, arrest warrants and subpoenas are issued due to debt racked up by identity thieves.

Protecting the Youngest Victims

With a few simple steps, you can safeguard your child's personal information. Consider enrolling in a product such as ProtectMyID™ that can help you monitor your personal credit information, alert you if key changes are detected, and reimburse you for any lost or stolen funds. This product can also monitor your child/children's personal information for the existence of a credit file and send you email alerts if someone applies for credit or opens an account in your child's name.

Be sure to guard your children's Social Security numbers as you would your own. The easiest and most promising way for an identity thief to steal your children's identity is by obtaining Social Security numbers. Don't carry your children's Social Security cards in your wallet or purse. Instead, store them in a hidden place that would-be-thieves cannot access.

Your child's Social Security number is probably recorded at his hospital, school, and pediatrician's office. Aside from this, try to keep your child's personal information private.

You might be asked for your son or daughter's Social Security number when registering for Little League or applying for a library card. Exercise caution, and keep in mind that you have options. When a business, individual, or organization asks for your child's Social Security number, ask several questions:

- *Why do you need my child's Social Security number?*
- *How will you protect my child's Social Security number from being stolen?*
- *How will my child's Social Security number be used?*
- *What will happen if I do not give you my child's Social Security number?*

Most organizations will be willing to proceed without a child's Social Security number. They know that some minors have not yet been assigned Social Security numbers; regardless, credible organizations understand that parents want to protect this information.

Reclaiming Your Child's Identity

If your child has been victimized by identity theft, take immediate steps to reclaim his identity.

1. Start by canceling all accounts that have been opened or compromised. Contact each credit card company by phone and follow up with a letter and copies of supporting documents.

2. File an Identity Theft Complaint with the Federal Trade Commission (FTC). The FTC can be contacted by phone at 1-877-438-4338 or in writing at:

Identity Theft Clearinghouse
Federal Trade Commission
600 Pennsylvania Avenue, N.W.
Washington D.C. 20580

3. File an Identity Theft Report with the police department. The police report will be useful if future problems arise from the theft.
4. Call and report the incident to the three national credit-reporting bureaus listed below. Let them know that the identity theft is associated with a minor who should not have a credit file.
 - Experian, PO Box 1017, Allen, TX 75013; 1888-397-3742
 - Equifax, P.O. Box 740250, Atlanta, GA 30374; 1-800-525-6285
 - TransUnion, P.O. Box 6790, Fullerton, CA 92634; 1-800-680-7289
5. Send copies of the Identity Theft Report and Identity Theft Complaints to each of the three credit-reporting bureaus with all supporting evidence.

Because most parents never consider identity theft a threat to their children, a criminal's job is that much easier. Being proactive and regularly monitoring your child/children's credit reports and/or personal information for the existence of a credit file allows your child to enter adulthood with a clean credit slate, which means you can cross one worry off your list.

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