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In this issue: Tax season scams, travel safety tips, new fiduciary rule, more missing money

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## If the IRS calls, it's not them

During the current tax season, scammers are stepping up their attempts to extract personal information by phone or e-mail (phishing). Claiming to be IRS officials, representatives of a tax preparation company, or from your state revenue department, they will ask you to verify tax return information or pay bogus tax bills. They may be polite, threatening, or bullying. No matter what the approach, remember that the IRS will *never*:

- Call to demand immediate payment over the phone, nor will the agency call about taxes owed without first having mailed you several bills
- Call or email you to verify your identity by asking for personal and financial information
- Demand that you pay taxes without giving you the opportunity to question or appeal the amount they say you owe
- Require you to use a specific payment method for your taxes, such as a prepaid debit card.
- Ask for credit or debit card numbers over the phone or e-mail
- Threaten to immediately bring in local police or other law-enforcement groups to have you arrested for not paying

You can report phone scammers to the Treasury Inspector General for Tax Administration online at [www.treasury.gov/tigta/contact\\_report\\_scam.shtml](http://www.treasury.gov/tigta/contact_report_scam.shtml) or by calling 800-366-4484. E-mail tax scams can be forwarded to [phishing@irs.gov](mailto:phishing@irs.gov) and then deleted. If you know someone who might be susceptible to an aggressive caller or respond to a phishing e-mail, share this information with them. As Yogi Berra might have said, "If the IRS calls, it's not them."

Think you wouldn't ever fall for a scam? Scammers can be highly skilled at tapping into one's philanthropic interests, sympathies, or fears (e.g., scammers who call for money pretending to be a grandchild in distress). Those at risk often are college-educated, older, have above average financial knowledge and above average incomes, are optimistic and open to new ideas, self-reliant, and may have experienced a recent health or financial setback. The bottom line: NEVER provide personal or financial information to an unsolicited caller or e-mailer, period. No exceptions!

## Travel tips

Contemplating a trip to Europe (or anywhere outside the U.S., for that matter), and wondering whether you should avoid it? Check out the *New York Times* article "Is Europe Safe for Travelers? Yes, Experts Say, but Here Are Some Tips." Those tips

apply equally well to all foreign travel at all times. For example, the U.S. State Department's Smart Traveler Enrollment Program (STEP) provides travelers with ongoing information about safety conditions at their destination(s), and helps the U.S. Embassy and your family and friends contact you in the event of an emergency. Consular officers can also assist with stolen passports and refer you to English-speaking doctors and attorneys. Enrollment is online, by mail, or in person at the appropriate embassy or consulate.

If a family member is traveling and you're anxious about being in touch, encourage them to enroll in the STEP program online prior to the trip. Also, make sure they provide you with a complete itinerary including destinations, hotels and phone numbers, and find out if their cell phone plans include international calls or texts.

## New rules protecting retirement savings

After long debate and strong resistance from some sectors of the financial industry, the Department of Labor has issued rules that will require all financial professionals, not just registered investment advisors, to act as fiduciaries when providing advice related to retirement account-related products (stocks, funds, annuities). They will be contractually bound to act in the client's best interest. As fee-only advisors who have always acted in that capacity for *all* of our clients' investments, we're pleased to see this development. In fact, we're going to bang the drum for fee-only planning by including a quote from Tara Siegel Bernard's recent article in *The New York Times*, "What New Rules on Retirement Savings Mean for Investors": "You are still likely to get the purest advice from a financial planner who is paid a flat fee in which compensation is not tied to the sale of any one investment. Such advisors should be free to choose from a wide array of financial products."

Note, however, that the fiduciary standard, effective April 2017, will apply only to retirement account-related assets. Hence a broker, for example, would be held to this standard for the client's IRA, but to the less stringent "suitability" standard for a taxable account. For a more detailed explanation of who is affected and what information investors have the right to request from their advisors, see the Department of Labor's rule online at [www.dol.gov/ProtectYourSavings/FactSheet.htm](http://www.dol.gov/ProtectYourSavings/FactSheet.htm).

## Missing more money?

In our last edition of *News & Views*, we reminded you to check for unclaimed monies at <https://maine.unclaimedproperty.com/Property/SearchIndex> and <http://missingmoney.com/>. Recently CBS's *60 Minutes* reported that life insurance companies are withholding payments to a sizeable number of beneficiaries and don't necessarily make the most strenuous efforts to locate next of kin. After a series of settlements, 25 insurance companies have agreed to pay out over \$7.5 billion to beneficiaries or to states that will list the money as unclaimed property.

If you think you may be owed a payment from a deceased loved one's life insurance, first check with the company if you know its name. If the company has changed names, check with the insurance commissioner of the state in which the policy was issued. Some state insurance offices have missing policy locators online. Be sure you have a copy of

the deceased's death certificate, Social Security number, and former address(es) available in the event that you make a claim. Also, if you've lived in several states, use the National Association of Unclaimed Property Administrators site at [www.unclaimed.org/](http://www.unclaimed.org/) to search states individually or use the MissingMoney website referenced above.

Still looking forward to spring,

Handwritten signatures of four individuals: Tom, Brian, Debra, and Teri.

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