Rising Business Registrations & Reactivations

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Business Identity Theft - Prior to Covid-19

- Business Identity Theft has always existed
- Opportunistic Crime
- More prevalent where there were less hurdles to overcome
In The Old World...

- Criminals posed as owners, officers, or employees
- Reinstated legitimate businesses by paying taxes or filing documents
- Gained access to business accounts or opened new ones
- Obtained new loans & lines of credit in the entity’s name
- Disappeared after damage was caused
What Has Changed?

- Covid-19
- The CARES Act
- Paycheck Protection Program (PPP)
- New Ways of Working
What Are We Seeing Now?

• Since March 2020, Reinstatement Filings are up over 135% across the country

• Complaints of theft to CT are more than doubled since March 2020

• Criminals have found new ways to utilize the Covid-19 crisis to their benefit
Covid-19 Scams

• Attempts to utilize an existing business in order to take advantage of CARES Act & PPP offerings
  – JP Morgan Chase
  – HARPO Studios
  – Small Businesses

• Attempts to reinstate a prior business in order to take advantage of CARES Act & PPP Offerings

• Attempts to reinstate a prior business in order to obtain their Unclaimed Property assets
How Can We Slow or Stop This?

• Be aware
• Communicate
• Work together
• Report anything that feels wrong
• Help entities stay in good standing
• Educate Customers
Resources

• CT Resources

• A Sampling of State Resources
  – https://www.sos.state.co.us/pubs/business/ProtectYourBusiness/BusinessIdentityTheftPamphlet.pdf
  – https://www.sos.state.tx.us/corp/businessidentitytheft.shtml
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