

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

- <https://ct.wolterskluwer.com/resource-center/articles/tactics-guard-your-business-identity>
- <https://ct.wolterskluwer.com/resources/corporate-compliance-losing-good-standing-consequences>
- <https://ct.wolterskluwer.com/resource-center/podcasts/interview-adam-levin-cybersecurity-business-identity-theft>

- A Sampling of State Resources

- <https://www.sos.ca.gov/business-programs/customer-alerts/alert-business-identity-theft/>
- <https://www.sos.state.co.us/pubs/business/ProtectYourBusiness/BusinessIdentityTheftPamphlet.pdf>
- <https://www.sos.wa.gov/corps/preventanddetectbusinessidentitytheft.aspx>
- <https://sos.oregon.gov/business/Pages/prevent-and-detect-business-identity-theft.aspx>
- <https://www.sos.state.tx.us/corp/businessidentitytheft.shtml>
- https://sos.ga.gov/index.php/corporations/corporate_identity_theft_information

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