

The Weekly Scenario: Identity Theft and Protection of the Estate

February 4, 2022
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Stolen identities and fraudulent usage of personal identifying information continues to be a big problem. These concerns grow when an estate includes digital assets that never existed only a few decades ago. As a result, being mindful of the risks of data breaches and understanding the need for the protection of electronic information have become critically important.

Identity Theft of a Deceased Individual

While technology allows us secure passwords, firewalls, and credit card chips to lessen the potential to become a victim, when a person dies, his identity can be illegally stolen, which is problematic for an estate that still has to safeguard assets and benefits for estate beneficiaries. Dealing with the identity theft of a deceased individual can complicate an already complex estate administration.

Steps to Prevent Identity Theft of Deceased

The executor of the decedent's estate should take a number of steps depending on the specific estate.

Credit card companies, banks, and places where the deceased individual had accounts should be notified. There may be estate debts that will need to be addressed, and a death certificate will be required by each company. For closed accounts, it may be a good idea to list an alert on the account that the individual is deceased to prevent theft or forgery.

It may also be prudent to request a copy of the decedent's credit report so you can check active credit cards, collection matters, or relevant account information. Some agencies that should be considered for notification include the Social Security Administration, Veteran's Affairs, and MVA.

Homeowners insurance and other service providers offer a range of identity services and indemnity coverage to address the immediate potential for financial harm. In most instances, relying on guidance from insurer experts or an identity restoration service provider can be cost-effective and efficient.

Perhaps, the best protection against identity theft or fraud is to remain vigilant!

As always, if you have any questions or would like to learn more, please contact Steve Shane at sshane@offitkurman.com or [301.575.0313](tel:301.575.0313).