

Topic: Corporate Identity Theft

Question by: Patricia L. Barfield

Jurisdiction: Arizona

Date: January 5, 2012

Jurisdiction	Question(s)
	<p>I'm wondering if your organization has encountered corporate identity theft. If you have encountered this corporate identity theft, were you able to take any steps to prevent the situation or come up with any solution to the problem, and if so, what actions would you recommend?</p> <p>Do you investigate these situations or report them to any other agency such as the Attorney General's Office?</p>
Manitoba	
Corporations Canada	
Alabama	
Alaska	
Arizona	
Arkansas	
California	
Colorado	<p>Colorado saw a lot of cases of suspected business identity theft over the last year or so, but it has started to taper off. We created an information page (www.protectyourbusiness.us) and partnered with law enforcement agencies to share information. We are also implementing "Secure Business Filing," which will allow a person to password-protect their business's record with us. (The information will still be viewable online, but no one will be able to file a document affecting that entity unless they have the password.)</p> <p>Brian Gryth (brian.gryth@sos.state.co.us) and Scott Primeau (scott.primeau@sos.state.co.us) headed up our efforts on business ID theft, and I'm sure they would be happy to answer any questions.</p>
Connecticut	
Delaware	

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District of Columbia	<p>In the District of Columbia we have not had any issues with corporate identity theft.</p> <p>If something will come up, then Regulatory Investigations division of the agency along with DC Attorney General's Office can take action against the company.</p>
Florida	<p>In Florida several years ago a man reinstated two old railroad corporations and paid all the back fees which were sizeable. The reinstatements were challenged and our office sent interrogatories to the man regarding his connection with the railroads. He refused to answer the interrogatories and we cancelled his reinstatements and returned the railroads to their dissolved status. He did not complain nor did he ask for a refund.</p> <p>To my knowledge we have not been informed of any situations like the ones described here on the listserv. We, however, have had disgruntled employees who have either dissolved, reinstated an administratively dissolved corporation, or revoked a voluntarily dissolved entity within the 120 day period just for spite and aggravation. These are not business identity theft issues.</p> <p>Like most of us, we are a ministerial filing office and inform the public that an issue of business identity theft is a private matter to be resolved by the parties involved, by a regulatory agency, or in the courts</p>
Georgia	
Hawaii	
Idaho	
Illinois	<p>Yes, we have encountered what has appeared as corporate identity theft. But as that we are a recording agency and accept submitted documents as being true and correct under penalty of perjury, we allow the legal & judicial system to ascertain if corporate theft has actually occurred.</p> <p>We leave the investigative initiatives to the legal and law enforcement agencies such as the Illinois Attorney General's Office and the County State Attorney's office.</p>
Indiana	

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Iowa	
Kansas	
Kentucky	
Louisiana	<p>Louisiana is the same as Missouri; we have no cases reported to date. In the event a case was reported to our office we would refer the case to the Attorney General's office.</p>
Maine	
Maryland	
Massachusetts	
Michigan	<p>Corporate identity theft is not something that we are currently aware is happening in the State Of Michigan Corporation Division. The Corporation Division is an administrative agency and not an enforcement agency. The Attorney General's office is the enforcement agency for the statutes the Corporation Division administers, and it would be the agency that receives and investigates these types of complaints.</p>
Minnesota	
Mississippi	
Missouri	<p>Missouri has not had any cases reported to date. However, we would take the same position that Illinois has indicated</p>
Montana	
Nebraska	
Nevada	
New Hampshire	
New Jersey	
New Mexico	
New York	

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North Carolina	<p>North Carolina has experienced in the last four month that we know of, voluntarily dissolved entities filing revocations of dissolution. The registered agent and principal office addresses are then changed, but all names stay the same.</p> <p>We discovered this when the filer of the voluntary dissolution called us asking why it was still current/active. We then went back and reviewed all voluntary dissolutions within the last four months and found that many fax and e-mail addresses were identical for the revocations and address changes. We began contacting the person filing the voluntary dissolution and discovered about 8 of them were theft.</p> <p>What we have been doing is informing the filer of what has occurred and asking them to provide us with an affidavit, which goes into our file. We also ask them to go to the FTC site to file an identity theft complaint. The FTC website indicates that they are not going to investigate, but the information helps them build their database.</p> <p>We also decided to send interrogatories to the officer name signing the revocation to the changed address as well as to the Entity asking specific questions regarding the entity. The interrogatories are to be notarized and if they are not answered, we have grounds for dissolving the entity. If the revocation was filed, we change the status until we receive back the interrogatories.</p> <p>This process is very new and is subject to change as issues arise.</p>
North Dakota	<p>North Dakota has not encountered this situation. Our statute is likely preventing this occurrence since corporations (as well as other entities) that are administratively dissolved can only be reinstated with a court order if the dissolution has occurred more than 1 year ago. The court then decides whether the reinstatement is proper or not. A thief may not be too eager to approach the courts for such a reinstatement order!</p>
Ohio	
Oklahoma	
Oregon	
Pennsylvania	
Rhode Island	

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South Carolina	
South Dakota	
Tennessee	
Texas	
Utah	<p>Utah is like Illinois....we take the filings in good faith, under penalty of perjury. However, if someone can prove the filing was not authorized, we will revoke the reinstatement. Voluntary dissolutions only have 120 days to rescind the dissolution.</p>
Vermont	
Virginia	
Washington	<p>We have encountered someone reinstating an administratively dissolved corporation or partnership when they had nothing to do with the original. We do not have any statute that prohibits this or addresses corporate identity theft and we do not have enforcement authority over for profit entities. We only have interrogatory authority for nonprofits. So, we handle these instances on a case by case basis, but work with the original officers, directors, partners, etc. to find a resolution. It doesn't seem to happen often, or at least we are not getting complaints that it is happening. In the past four years, I have had only one.</p>
West Virginia	
Wisconsin	
Wyoming	

Additional comments:

Hi Patricia:

NASS is working on this issue as we speak. We have convened a task force on Business ID Theft, held conference sessions and a separate forum on this issue in the past year. We are getting ready to launch a website and issue a white paper at our conference at the end of this month in Washington, DC

Attached is a toolkit we put together for the Secretaries last summer. The white paper will list a number of recommended actions for states, but as I said, it won't be out until the end of the month.

Two states that have dealt with the issue and have shared their experiences with others are CO and GA. Both of them implemented email notification systems, among other things, to notify individuals associated with the entity that information related to the entity had been changed.

Please feel free to give me a call if you have any further questions.

Leslie

Leslie Reynolds

Executive Director

National Association of Secretaries of State

444 N. Capitol Street, N.W.

Suite 401

Washington, DC 20001

202-624-3525

www.nass.org

And to piggyback on that, IACA had a session on this at the Winnipeg conference last year; there is presentation material on our website. This is another reason to promote going to the annual conference with your management; you really do get valuable information and the latest thinking on issues of the day.

Tom

Tom Wrosch

Commercial Registries Manager

Corporation Division, Secretary of State

(503) 986-0511

fax: (503) 373-1166

Full text of email:

Hello and Happy New Year to Everyone!

I'm wondering if your organization has encountered corporate identity theft?

In case you are unfamiliar with the term, I'll try and describe what I mean.

In Arizona, corporations can be administratively dissolved for failing to file their annual report. The corporation can later be reinstated by paying the reinstatement fee and filing all past-due annual reports. We have had numerous situations where a stranger to the corporation reinstates the corporation and files the past-due annual reports for the corporation, but lists the stranger's name as officer and director instead of the original principals of the corporation. This process is often marketed to potential "buyers" of corporations under the guise of selling "shelf corporations." The only purpose I've been able to identify is for the "buyer" to obtain loans by using the credit rating of the so-called "shelf corporation."

If you have encountered this corporate identity theft, were you able to take any steps to prevent the situation or come up with any solution to the problem, and if so, what actions would you recommend?

Do you investigate these situations or report them to any other agency such as the Attorney General's Office?

Your responses are appreciated.

Patricia L. Barfield

Director, Corporations Division

Arizona Corporation Commission

1300 W. Washington St.

Phoenix, Arizona 85007

602-542-0787 / fax 602-542-0900

pbarfield@azcc.gov