



# Bureau of Justice Statistics Bulletin

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*First Estimates from the National Crime Victimization Survey*

## Identity Theft, 2004

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In 2004, 3.6 million households, representing 3% of the households in the United States, discovered that at least one member of the household had been the victim of identity theft during the previous 6 months. The households most likely to experience identity theft —

- earned \$75,000 or more
- were headed by persons ages 18-24
- were in urban or suburban areas.

These findings represent 6-month prevalence estimates and are drawn from interviews conducted from July to December 2004 for the National Crime Victimization Survey (NCVS). (See *Methodology*).

For the NCVS, identity theft was defined to include three behaviors (see *Appendix*) —

- unauthorized use or attempted use of existing credit cards
- unauthorized use or attempted use of other existing accounts such as checking accounts
- misuse of personal information to obtain new accounts or loans, or to commit other crimes.

Estimates in this report are drawn from interviews with knowledgeable respondents age 18 or older in each sample household about discoveries of identity theft of anyone in their household during the previous 6 months.

### Highlights

**In 2004, 1 in 33 households discovered at least one type of identity theft during the previous 6 months**

Did households discover identity theft in previous 6 months?	Number of households	Percent of households	Percent of victimized households
<b>Yes</b>	3,589,100	3.1%	100.0%
Unauthorized use of:			
Existing credit cards	1,736,700	1.5	48.4
Other existing accounts	896,500	0.8	25.0
Misuse of personal information	538,700	0.5	15.0
Multiple types of theft during the same episode	417,100	0.4	11.6
<b>No</b>	111,773,400	96.7%	--
<b>Don't know</b>	261,800	0.2%	--

- Credit card theft was the most common type of identity theft (1.5% of households).
- Households headed by persons age 18-24 and those in the highest income bracket (\$75,000 or more) were the most likely to experience identity theft.
- Rural households were less likely than urban or suburban households to have a member experience identity theft (2% versus 4% and 3%, respectively).
- 3 in 10 households experiencing any type of identity theft discovered it by missing money or noticing unfamiliar charges on an account; almost 1 in 4 were contacted by a credit bureau.
- Overall a third of households experienced one or more problems as the result of the episode of identity theft.
- The most common problems encountered included being contacted by a debt collector or creditor, banking problems, or problems with credit card accounts.
- 1 in 5 of victimized households with problems spent at least one month resolving problems.
- Credit card thefts were the least likely among identity thefts to still be causing problems at the time of the interview to the victims or their households (9%).
- The estimated loss as a result of identity theft reported by the victimized households was about \$3.2 billion.
- About two-thirds of households experiencing identity theft reported some type of a monetary loss as a result of theft.

All estimates refer to the numbers or proportions of households in which one or more members discovered one or more episodes of identity theft during the reference period. Estimates presented are not the number of episodes experienced.

A period of identity theft is referred to as an “episode” and encompasses all of the individual incidents or actions that occurred. An incident refers to each individual action that was taken during the period of the identity theft. A person can experience more than one incident during an episode. (See *Methodology*.)

People often discover that they have been victims of identity theft long after the theft has taken place. Because people may not know exactly when the actual identity theft occurred, the survey asks about thefts discovered by victims during the previous 6 months, regardless of when the theft actually took place.

#### Defining identity theft

There is no one universally accepted definition of identity theft as the term describes a variety of illegal acts involving theft or misuse of personal information. Under the Fair Credit Reporting Act (FCRA), identity theft is defined as the use or attempted use of an account or identifying information without the owner’s permission.

The 1998 Identity Theft and Assumption Deterrence Act makes it a Federal offense to knowingly transfer or use, without lawful authority, a means of identification of another person with the intent to commit, or to aid or abet, any unlawful activity that constitutes a violation of Federal law, or that constitutes a felony under any applicable State or local law.

State laws pertaining to the theft or misuse of personal information vary in offense definition. A listing of Federal and State laws pertaining to identity theft may be found at: [http://www.consumer.gov/idtheft/law\\_laws\\_state\\_criminal.htm](http://www.consumer.gov/idtheft/law_laws_state_criminal.htm).

#### Overall estimates

In 2004, 3.6 million households, representing 3% of all households, discovered during the previous 6 months that at least one member of the household was a victim of identity theft (See *Highlights*). The most common type of identity theft was unauthorized use of credit cards, experienced by 1.7 million (1.5%) households.

About 900,000 households (0.8% of all households) were victimized by the theft of an existing account other than a credit card account. This includes the use or attempted use of a wireless telephone account, bank account, or debit/check card account without the account holder’s permission to incur charges or to take money from the account.

**Table 1. Characteristics of households experiencing identity theft**

Household characteristics	Households experiencing theft	
	Number	Percent of all households
<b>Total</b>	3,589,100	3.0%
<b>Age**</b>		
18-24	363,600	4.6%
25-34	654,700	3.3
35-49	1,223,100	3.4
50-64	938,200	3.3
65 or older	410,600	1.8
<b>Race**</b>		
White	2,930,900	3.1%
Black	481,300	3.3
American Indian Asian, Pacific Islander	15,800	3.0*
More than one race	124,300	2.8
	36,800	4.3
<b>Hispanic origin**</b>		
Hispanic	319,300	2.6%
Non-Hispanic	3,250,600	3.1
<b>Household income</b>		
Less than \$7,500	115,400	2.2%
\$7,500-14,999	222,500	2.6
\$15,000-24,999	235,700	1.9
\$25,000-34,999	367,300	3.2
\$35,000-49,999	472,900	3.3
\$50,000-74,999	513,800	3.4
\$75,000 or more	1,086,700	5.2
<b>Urbanicity</b>		
Urban	1,221,500	3.6%
Suburban	1,918,200	3.2
Rural	449,300	2.0

Note: Detail may not add to total due to rounding or the exclusion of missing data. American Indian includes Alaska Native.

\*Estimate based on 10 or fewer cases.

\*\*Age, race, and Hispanic origin characteristics are for the household head. See *Methodology*.

Approximately 500,000 households (0.5%) were victimized by the use of personal information to obtain new credit cards or loans, run up debts, open other accounts, or otherwise commit theft, fraud, or some other crime.

Households were more likely to discover thefts from existing accounts than they were from misuse of personal information or multiple types of theft at the same time. For more than 400,000 households (0.4%), the identity theft encompassed two or more types of thefts that occurred at the same time.

#### Characteristics of households victimized by identity theft

Households headed by persons ages 18-24 were more likely to experience identity theft than others (table 1).<sup>1</sup> About 1 in 20 households headed by a person age 18-24 had a member who was the victim of an identity theft during the previous 6 months. Households headed by persons ages 65 or older were the least likely to experience identity theft.

There were no differences detected by race or ethnicity in the percentage of households experiencing identity theft.

Households in the highest income bracket, those earning \$75,000 or more, were the most likely to experience identity theft.

Rural households were less likely than urban or suburban households to have a member experience identity theft during the past 6 months. Urban and suburban households experienced similar percentages of identity theft.

<sup>1</sup>A household member who owns, is buying or renting the sample housing unit. This person is generally age 18 years or older. See *Methodology*.

### Characteristics of identity theft

About 6% of households experiencing identity theft during the 6-month reference period reported that they experienced multiple episodes. If more than one episode was discovered during the previous 6 months, the characteristics of the most recent episode are discussed.

Number of episodes	Number	Percent of households
2+	216,600	6%
1	3,372,500	94

### Awareness

Almost a third of households experiencing any type of identity theft discovered it by missing money or noticing unfamiliar charges on an account (table 2). One in five victimized households were contacted by a credit bureau, and 1 in 9 became aware of the theft as a result of having banking problems. About 1 in 18 households experiencing identity theft discovered the theft as the result of noticing an error in a credit report.

The way in which members of a household experiencing identify theft discovered the theft varied by type of theft. Households experiencing theft of other existing accounts were more likely than households with credit card theft, personal information theft, or multiple types of theft at the same time to discover the theft by missing money or noticing charges on an account (42% versus 31%, 8%, and 30%).

Households with credit card thefts were equally likely to have missed money/noticed charges on an account or have been contacted by a credit company or bureau (31% and 31%, respectively). Almost a fifth of households experiencing theft of personal information discovered it by being contacted by a credit bureau.

**Table 2. How victim became aware of identity theft, by type of identity theft**

How theft was discovered	Percent of thefts involving—				
	Total	Existing credit cards	Other exist- ing accounts	Personal information	Multiple types of theft during the same episode
Issuer placed block on account	3.8%	4.5%	3.3%	1.0%*	5.3%*
Missing money or noticed charges on account	30.4	31.2	42.1	7.9	29.5
Contacted about late/unpaid bills	22.8	30.7	9.0	18.6	25.2
Banking problems	10.8	11.8	11.7	6.2	10.7
Noticed credit card or checkbook was missing	6.2	5.9	7.7	1.5*	9.7
Notified by police	1.1	0.4*	0.6*	3.8*	1.7*
Denied phone or utility service	2.4	0.1*	4.4	3.7*	5.7*
Noticed an error in credit report	5.6	4.4	3.0*	13.0	6.7*
Other way	28.6	19.3	35.2	49.0	27.5

Note: Table excludes 1% of households victimized by identity theft that did not provide an answer to how they became aware of the identity theft.

\*Estimate based on 10 or fewer cases.

### Problems experienced

Overall a third of households that experienced identity theft reported they experienced one or more problems as the result of the theft.

Among households that had problems,

	Percent of households experiencing identity theft
No problems	66.7%
Any problem	33.3%

Note: Table excludes 39% of households who did not provide an answer to whether or not they experienced problems as a result of the identity theft.

households were equally likely to have been contacted by a debt collector or have banking problems (34% versus 31%) (table 3). They were somewhat more likely to be contacted by a debt collector than they were to have problems with their credit card accounts (34% versus 26%).

About 1 in 6 victimized households had to pay higher interest rates as the result of the identity theft, and 1 in 9 households were denied phone or utility service. Households were equally likely to be turned down for insurance or pay higher rates, be the subject of a civil suit or judgment, or be the subject of a criminal investigation (7%, 5%, and 4%, respectively). About a fifth of households reported they experienced some other kind of problem.

**Table 3. Problems experienced as a result of identity theft**

Types of problems	Percent of households experiencing problems due to identity theft
Contacted by a debt collector or creditor	34.1%
Banking problems	30.5
Problems with credit card accounts	25.8
Had to pay higher interest rates	15.4
Denied phone or utility service	11.5
Turned down or had to pay higher insurance rates	6.7
Subject of a civil suit or judgment	4.6
Subject of criminal investigation	4.4
Had some other problems	17.8

Note: Respondents could select more than one type of problem.

### Time it took to resolve all problems

A third of households victimized by any type of identity theft reported that problems associated with the theft were resolved in 1 day. About 1 in 5 households spent 2-7 days resolving problems; a similar proportion of households spent 1 month or more resolving problems.<sup>2</sup> One in seven households reported that they did not know how much time they spent resolving problems.

Time spent resolving problems	Percent of households
1 day	34.2%
2-7 days	19.9
8-14 days	8.5
15-28 days	3.1
1-2 months	14.2
3 or more months	5.3
Don't know	14.8

When time spent resolving problems was examined by type of identity theft, 1 day or less was the most common amount of time spent resolving problems as reported by households experiencing thefts of credit cards, existing accounts, and personal information (39%, 31%, and 32%, respectively) (figure 1). Households experiencing theft of personal information were more likely to spend 3 or more months resolving problems than were households experiencing thefts of existing credit cards or other existing accounts (9% versus 4% and 4%).

### Ongoing misuse associated with identity theft

About three-quarters of the households that discovered an episode of credit card theft or experienced multiple types of theft during the same episode reported that the misuse had stopped by the time of the interview (table 4). Misuse was more likely to have stopped for households experiencing existing credit card theft than those experiencing theft of other existing accounts or misuse of personal

<sup>2</sup>Estimates of time spent resolving problems extend to the date of the interview. If problems persisted, victims may have spent additional time resolving them.

### Time spent resolving problems

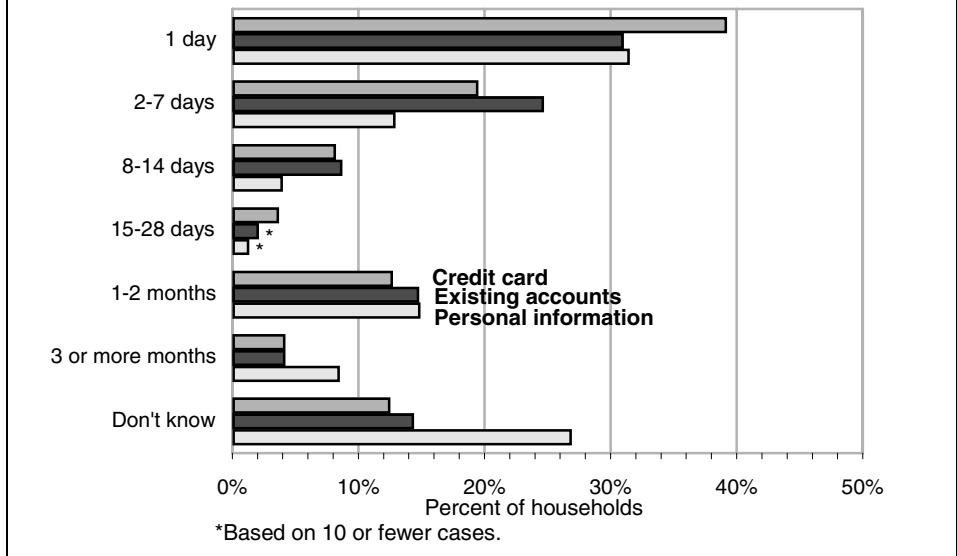


Figure 1

Table 4. Ongoing misuse, by type of identity theft

Misuse stopped	Percent of households experiencing theft involving—				
	Total	Existing credit cards	Other existing accounts	Personal information	Multiple types of theft during the same episode
Stopped	70.2%	77.6%	64.6%	54.3%	71.7%
Ongoing	23.9	20.0	29.5	30.8	19.4
Don't know	5.9	2.4	6.0	14.9	8.9

Table 5. Ongoing problems, by type of identity theft

Problems	Percent of households experiencing theft involving—				
	Total	Existing credit cards	Other existing accounts	Personal information	Multiple types of theft during the same episode
Stopped	79.6%	88.1%	79.0%	62.1%	66.2%
Ongoing	17.2	8.8	18.3	32.1	31.1
Don't know	3.4	3.2	2.7*	5.7	2.7*

\*Estimate based on 10 or fewer cases.

information (78% versus 65% and 54%). Households victimized by theft of personal information were more likely to report that they did not know whether the misuse had stopped than households experiencing credit card theft or misuse of existing accounts (15% versus 2% and 6%).

In addition to the misuse itself, victims of identity theft may also experience problems such as clearing up credit card accounts or reports and paying higher interest rates. Overall, about 1 in 6 households reported that the misuse associated with their episode of identity theft was still causing

problems to the respondent or another household member (table 5).

About a third of households experiencing thefts of personal information and thefts of multiple types during the same episode reported that the misuse was still causing problems; this proportion was higher than the proportion of households that experienced thefts of existing credit cards (9%) or other existing accounts (18%). Credit card thefts were the least likely among identity thefts to still be causing problems to the victims or their households (9%).

### Economic loss

The estimated loss as a result of identity theft was about \$3.2 billion (not referenced in a table).<sup>3</sup> Although 6% of the victimized households reported more than one theft, information about the characteristics of identity theft including loss is based on only the most recent episode and of those who provided a dollar amount. The losses reported include money that may have been reimbursed by others such as

<sup>3</sup>Estimate does not include all losses as a result of identity theft. Costs or losses to businesses as a result of identity theft may or may not be included.

credit card companies or insurance companies and exclude such things as costs associated with paying higher interest rates and wages lost from time spent clearing up problems associated with the theft. It is possible that households for which misuse was still ongoing at the time of the interview may have continued to suffer losses after the interview.

Most households incurred a monetary loss as a result of the identity theft. Of the households experiencing identity theft —

- 69.2% reported a monetary loss
- 17.1% reported no loss

- 13.8% did not know the amount of the loss.

Households experiencing misuse of personal information were more likely than other types of households to have no money involved (33% versus 14%, 16%, and 10%) (table 6). About a sixth of households experiencing thefts of existing credits cards or other existing accounts reported no money was involved in the theft.

Fifteen percent of households experiencing any type of identity theft sustained losses of at least \$1 but less than \$100. Households experiencing thefts of existing credit cards or other existing accounts were equally likely to sustain losses in this range (18% and 19%).

Overall, 1 in 20 households reported \$5,000 or more was involved. Households experiencing multiple types of theft at the same time were more likely than those with thefts of existing credit cards or misuse of personal information to have \$5,000 or more involved (12% versus 5% and 5%). Similar proportions of households experiencing thefts of existing credit cards or misuse of personal information sustained losses of \$5,000 or more (5% and 5%).

Among households actually sustaining a loss and for which the amount of the loss was known, over half (55%) reported less than \$500 was involved (figure 2). Three in ten of the victimized households that sustained a loss reported the amount of money involved was between \$500 to \$2,499.

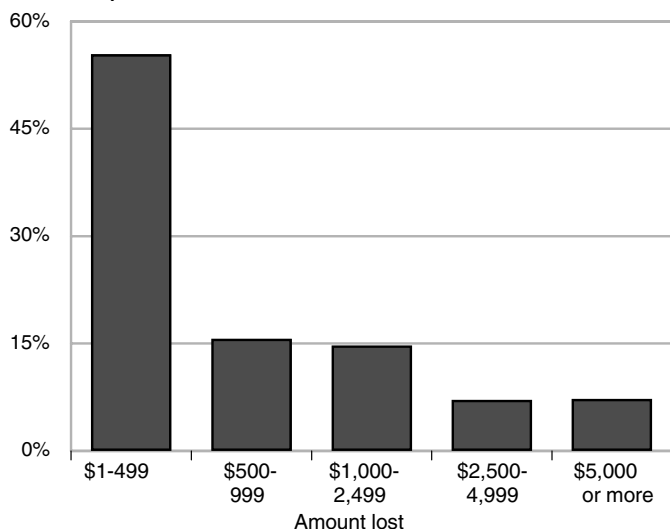
**Table 6. Amount lost in theft, by type of identity theft**

Amount lost	Percent of households experiencing theft involving—				
	Total	Existing credit cards	Other existing accounts	Personal information	Multiple types of theft during the same episode
Total	100.0%	100.0%	100.0%	100.0%	100.0%
\$0	17.1	14.3	16.3	32.9	10.1
\$1-99	15.3	18.1	19.3	4.0*	9.4
\$100-249	12.6	15.2	15.2	4.6*	6.2*
\$250-499	10.3	9.5	14.3	7.2	9.1
\$500-999	10.8	9.8	13.8	9.7	9.5
\$1,000-2,499	10.2	8.9	10.8	8.3	16.4
\$2,500-4,999	4.9	4.3	1.6*	5.7	14.0
\$5,000 or more	5.0	5.4	1.4*	4.9	11.5
Don't know	13.8	14.4	7.4	22.7	13.9

Note: Amount lost includes money that may have been reimbursed by others such as credit card companies or insurance companies and excludes 2% of households that did not provide an answer.

\*Estimate based on 10 or fewer cases.

**Percent of households experiencing identity theft, by amount lost in theft (\$1 or more)**



Note: Excludes thefts for which the victims did not know the amount lost.

Figure 2

**Table 7. Mean and median amount involved (\$1 or more in losses), by type of theft**

	Mean	Median
All types	\$1,290	\$400
Existing credit cards	\$1,130	\$300
Other existing accounts	\$640	\$300
Personal information	\$2,360	\$800
Multiple types of theft at the same time	\$2,630	\$1,000

About 1 in 14 (7%) victimized households with a loss had \$5,000 or more involved.

The average amount of money involved in any type of identity theft in which there was a loss was \$1,290 (table 7). For households experiencing misuse of personal information the average loss was \$2,360, and it was \$2,630 for households experiencing multiple types of theft at the same time. On average, \$640 was involved in the thefts of other existing accounts.

Averages, or arithmetic means, are influenced by extremely low or high values. A median, or midpoint at which half the households fell above or below, is not impacted by extreme values. The median amount of loss was \$400 for all victimized households sustaining a loss. Households experiencing thefts of existing credit cards or other existing accounts both had medians of \$300. Households experiencing misuse of personal information sustained a median loss of \$800.

### Methodology

In July 2004 questions were added to the National Crime Victimization Survey (NCVS) to provide ongoing estimates of identity theft victimization (appendix). To minimize cost and

burden to respondents, these questions were administered once in each household to the household respondent. In the NCVS, the household respondent answers more in-depth questions about crimes the entire household may have suffered as a whole, such as burglaries.

Time limitations permitted asking only about the circumstances of the most recent episode of identity theft if more than one had been experienced by the household during the six months of the reference period. For more information refer to the Final Report of Cognitive Research on the New Identity Theft Questions for the National Crime Victimization Survey <<http://www.census.gov/srd/papers/pdf/ssm2004-02.pdf>>.

The estimates presented in this report are 6-month prevalence estimates, that is, the households victimized by identity theft in a 6-month period in 2004. Annual prevalence estimates will be published when data are available for 2005. It is likely that the 6-month prevalence estimate presented in this report, 3% of households, would be somewhat more than half that of an annual estimate if a full year's data were available. This is the case because the NCVS utilizes a 6-month reference period. To construct annual prevalence estimates of victimization from the NCVS, it is necessary to aggregate responses from two (and sometimes three) interviews at each sample address. Households that reported being victimized by identity theft in more than one interview in a given year would still be counted only once for the overall annual measure.

Demographic characteristics presented in this report are of the household member age 18 or older who owns, is buying or is renting the sample housing unit. This person, designated the household head or reference person, is usually the first person listed in the household membership roster. If all household members are under 18, the interviewer will choose the person identified as owning or renting the living quarters.

Because the person designated as the household head may arbitrarily be either the husband or wife in households with married couples, gender was omitted from demographic comparisons. Similarly, the age distribution presented in this report refers to the age of the household head but not necessarily the age of the person who experienced the identity theft. The survey did not ask which member of the household was the victim of the identity theft.

### Standard error computations

Comparisons of estimates discussed were tested to determine if the differences were statistically significant. Differences described as higher, lower, or different passed a hypothesis test at the .05 level of statistical significance (95%-confidence level). That is, the tested difference was greater than twice the standard error of that difference. For comparisons of estimates which were statistically significant at the 0.10 level (90%-confidence level), differences are described as somewhat, marginal, or slight. Caution is required when making comparisons of estimates not explicitly discussed in this report. What may appear to be a large difference in estimates may not test as statistically significant at the 95%- or even the 90%-confidence level. Significance testing calculations were conducted at BJS using statistical programs developed specifically for the NCVS by the U.S. Census Bureau that consider the complex NCVS sample design when calculating generalized variance estimates.

### The Federal Trade Commission

The Federal Trade Commission (FTC) has released a report on estimates of identity theft which can be accessed at <<http://www.ftc.gov/os/2003/09/synovaterreport.pdf>>.

Estimates of identity theft from the NCVS differ from the FTC survey. The FTC reported that about 10.1 million experienced identity theft in 2003. Methodological differences between the programs may account for the differences in estimates. Differences include: unit of analysis, reference period, counting method, and use of a "reference person" (person owning, buying, or renting the unit).

## Appendix. Identity theft questions included in the National Crime Victimization Survey

45c. During the last 6 months, that is since \_\_\_\_\_, 20\_\_ have you or anyone in your household discovered that someone —

- (a) Used or attempted to use any existing credit cards or credit card numbers without permission to place charges on an account?
- (b) Used or attempted to use any existing accounts other than a credit card account — for example, a wireless telephone account, bank account or debit/check cards — without the account holder's permission to run up charges or to take money from accounts?
- (c) Used or attempted to use personal information without permission to obtain NEW credit cards or loans, run up debts, open other accounts, or otherwise commit theft, fraud, or some other crime?

45d. Was the misuse of — (the credit card account(s)/any existing accounts other than credit cards/personal information or new account(s)) one episode or more than one episode of identity theft?

45e. Did these episodes occur separately or at the same time?

45f. Which episode of identity theft was most recently discovered?

45g. How did you become aware of the identity theft?

45h. What was the total dollar amount of the credit, loans, cash, services, and anything else the person obtained while misusing (the credit card account(s)/any existing accounts other than credit cards/personal information or new account(s))?

45i. Has the misuse of — (the credit card account(s)/any existing accounts other than credit cards/personal information or new account(s)) stopped (e.g. you or a household member closed a checking account)?

45j. Is the misuse of — (the credit card account(s)/any existing accounts other than credit cards/personal information or new account(s)) still causing problems for you or any other household member? For example, are you still spending time clearing up credit accounts or your credit report.

45k. How much time did it take to resolve ALL PROBLEMS associated with the misuse of — (the credit card account(s)/any existing accounts other than credit cards/personal information or new account(s)) after the misuse was discovered?

45l. As a result of (any of) the misuse of — (the credit card account(s)/any existing accounts other than credit cards/personal information or new account(s)) discovered in the last 6 months, have you or anyone in your household. . .

Been turned down for a loan?

Had banking problems?

Had problems with credit card accounts?

Had phone or utilities cut off or been denied new service?

Had to pay higher interest rates on credit cards, loans, etc.?

Been turned down for insurance or had to pay higher rates?

Been contacted by a debt collector or creditor?

Been the subject of a civil suit or judgment?

Been the subject of a criminal investigation, warrant, proceeding, or conviction?

Had some other problems? Specify \_\_\_\_\_

The full NCVS questionnaire and additional methodology are available at the BJS World Wide Web Internet site: <<http://www.ojp.usdoj.gov/bjs/cvict.htm#ncvs>>.

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This report in portable document format and in ASCII and its related statistical data and tables—including five appendix tables—are available at the BJS World Wide Web Internet site:  
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The Bureau of Justice Statistics is the statistical agency of the U.S. Department of Justice. Maureen Henneberg is acting deputy director.

BJJS Bulletins present the first release of findings from permanent data collection programs.

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Tina Dorsey and Marianne Zawitz produced and edited the report. Jayne Robinson prepared the report for publication.

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