

Consumer News & Views

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Consumers Should Be Alert to Tax Scams.

The IRS uses your Social Security Number (SSN) to make sure your filing is accurate and complete, and that you get any refund you are due. Identity theft can affect how your tax return is processed. An unexpected notice or letter from the IRS could alert you that someone else is using your SSN, however, the IRS doesn't start contact with a taxpayer by sending an email, text or social media message that asks for personal or financial information. If you get an email that claims to be from the IRS, do not reply or click on any links. Instead, forward it to phishing@irs.gov.



If someone uses your SSN to file for a tax refund before you do, the IRS might think you already filed and got your refund. When you file your return later, IRS records will show the first filing and refund, and you'll get a notice or letter from the IRS saying more than one return was filed for you.

If someone uses your SSN to get a job, the employer may report that person's income to the IRS using your SSN. When you file your tax return, you won't include those earnings. IRS records will show you failed to report all your income. The agency will send you a notice or letter saying you got wages but didn't report them. The IRS doesn't know those wages were reported by an employer you don't know.

Dealing With Tax-Related Identity Theft

If you think someone used your SSN for a tax refund or a job — or the IRS sends you a notice or letter indicating a problem — contact the IRS immediately. Specialists will work with you to get your tax return filed, get you any refund you are due, and protect your IRS account from identity thieves in the future.

Why Do Millions of Consumers Feel Like the Recession Never Ended?

By Mark Huffman, Consumer Affairs

The Great Recession ended in June 2009. Officially, that is. That's when U.S. economic growth, meager though it was, started up again, ending two straight quarters of decline. Over the next six years the unemployment rate gradually came down as well. But if you ask many middle class consumers, they would be the first to say that, to them at least, it feels like the recession never ended. Economists at the St. Louis Federal Reserve Bank say there's a good reason for that.

William Emmons and Bryan Noeth, senior economic adviser and policy analyst at the bank's Center for Household Financial Stability, have issued a report that clearly shows the American middle class has lost economic ground in recent years.



Photo © Carolyn Franks

Two ways to look at it:

While there has been much discussion of growing "income inequality" since the financial crisis, Emmons and Noeth have attempted to show how middle class families are falling behind, looking at the problem 2 ways.

The first approach ranks all families by their income or wealth and then looks at those in the middle to gauge how the middle class is doing. But there's a problem with that method. Increasingly, families are moving in and out of the middle class year to year.

So the economists also look at the middle class using demographics - age, educational attainment and race or ethnicity. Under this method, the middle class is most likely to be composed of families headed by someone at least 40 years old who is white or Asian with only a high school diploma or by someone who is black or Hispanic with a 2 or 4-year college degree.

The authors discovered that when defined by demographics, the middle class has been losing ground since 1989. Adjusted for inflation, the median middle-class family in 2013 was well behind the median in 1989, in terms of income and net worth. During that same time frame, the U.S. population as a whole showed little change in wealth and income.

Steady erosion:

"The median middle-class family as we define it suffered a steady erosion of income relative to the family at the exact middle of the overall population of families in each year's ranking," the economists write. "In terms of cumulative growth, the median demographically defined middle-class family's income grew 21% less than the overall median income between 1989 and 2013."

The report focuses on education as a major influence on middle-class fortunes because better education usually leads to better jobs.

Harry Holzer, a Visiting Fellow in Economic Studies at the Brookings Institution, agrees writing that when politicians talk about "good middle class jobs," those jobs aren't what they once were.

Construction, production and clerical jobs that paid pretty well but required fairly little education have been disappearing.

"But another set of middle-skill jobs -- requiring more postsecondary education or training -- in health care, mechanical maintenance and repair and some services - is consistently growing, as are skill needs within traditionally unskilled jobs," Holzer writes.

In many cases, Holzer says employers are having difficulty filling these jobs. Part of the problem, he maintains, is neither industry nor the education system has done much to generate employees with the skill sets needed for these increasingly in-demand positions.

"A new set of education and training policies and practices are hopeful in this regard, though policies to more directly expand the numbers of middle-paying jobs might also be needed," he concludes.

Mark Huffman has been a consumer news reporter for Consumer Affairs since 2004. He covers real estate, gas prices and the economy and has reported extensively on negative-option sales. He was previously an Associated Press reporter and editor in Washington, D.C., a correspondent for Westwood One Radio Networks and Marketwatch. Email Mark Huffman -- Phone: 866-773-0221

ACC Annual Business Meeting Scheduled for Friday, June 12, in San Diego. The American Consumer Council (ACC) has announced its 2015 annual business meeting will be held at the Rancho Bernardo Inn located in San Diego on Friday, June 12, at 10:00 am. Members are welcome to attend. For details, please contact ACC at 1-760-787-0414.

ACC's Friend of the Consumer Award Recognizes Outstanding Businesses in 2015.

Is your business consumer-friendly? Does your business deserve greater recognition for its service to consumers? If so, you should apply for the American Consumer Council's Friend of the Consumer Award.

Throughout the year, ACC presents its "Friend of the Consumer" Awards. This prestigious award recognizes manufacturers, retailers, and other businesses that produce or sell products in the United States that meet or exceed federally-mandated standards and are touted by consumers as "consumer friendly."

Each year, ACC awards numerous "Friend of the Consumer" Awards to deserving companies and organizations because they have "demonstrated a commitment to American consumers by providing a specific product or service that fosters consumer confidence and market acceptance."



To apply for the "Friend of the Consumer" award, complete the online application and return it to ACC with the application fee. Applicants will be notified within 5 days of receipt of their application. Thereafter, a panel of independent judges will review your application and make a formal recommendation within 20 days of receipt of your award application.

For more information, visit: <http://www.americanconsumercouncil.org/awards.asp>

Green CSM Certification Accepting Applications for 2015 Summer Cycle:

If your company or organization would like to increase its credibility with consumers, you should consider applying for the **Green CSM Certification**. Applications for the 2015 Summer cycle are now being accepted through August 31, 2015.

It's a proven fact that consumers want to do business with companies that are eco-friendly and practice Corporate Social Responsibility (CSR). The process is straight-forward and all applicants are recognized by ACC and the Green USA Institute.

All applicants complete the criteria and submit their responses to ACC's Green Consumer Council for review, assessment and feedback. Program details and the **Green CSM Certification** criteria can be viewed at ACC's website located at: <http://americanconsumercouncil.org/greenc.asp>

