

From: Uma Balakrishnan, PhD

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To: House Committee on Ways and Means

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I am Uma Balakrishnan. I live in Westminster West, VT and pay taxes in the town of Westminster. I bring the matter below to your attention as a citizen of the USA and Vermont. My purpose is to highlight a high level cyber-crime that defrauded me of my entire retirement savings. It further had me incur federal and state taxes, forfeit 2024 property tax rebate in Vermont and pay substantially higher Medicare Part B and IRMAA deductions for 2025 as a result of the cyber theft.

I am a highly educated person who has worked in Vermont and Massachusetts as a clinician and researcher. I have published scholarly papers in peer reviewed journals. I do not have risky internet or personal behaviors and I have a history of being both careful and responsible in my internet use.

Starting August 1 2023 through September 15 2023, I was systematically robbed of my tax sheltered retirement savings and funds from my checking account by a group of fraudsters who posed individually as being from separate organizations – Microsoft anti-fraud, my credit union VSECU's (now East Rise) anti-fraud department, and the US Department of Justice.

The crooks were so artful that they used real names and addresses of government agents and indeed when one of them called me on my phone, the caller ID displayed on my phone as US Govt.

I have attached a brief word at the end of this petition to detail how they went about this.

The fraudsters, pretending to be from different agencies reinforced the narrative that my identity had been compromised by some bad actor at the credit union and consequently, I would need to divest funds from my checking account with VSECU as well as from my tax sheltered 403b account. They promised that any taxes I paid would be reimbursed and indeed, taxation would be averted by **reinvestment of the liquidated funds into new investments once my new ID had been established**. They stressed that I was not to discuss any of these matters with anybody, especially with bank staff (who were alleged to be the culprit revealing my ID). The need to not discuss was repeatedly reinforced by all

parties talking with me as well as in fake support documents generated by the fraudsters – one from FTC and another from SSA.

My retirement savings were in a 403b account – I took these out in distributions in 2023 year at the behest of the fraudsters. Mandatory amounts of taxes were withheld on them (20% federal, 6% Vermont) and the balance was deposited into my checking account with VSECU. The fraudsters had me hand over the funds in the ways described in the summary. Since then, I have also paid estimated taxes both federal and state – given that I would show falsely inflated income for 2023 due to the liquidation of my savings. That is also included in the summary below.

I have reported this matter to the Vermont State Police, Brattleboro Police, FTC/DOJ, SSA, Microsoft anti-fraud department, and to my bank's genuine anti-fraud department. I have also talked with IRS and with VT State Tax department staff – my understanding from both was that the law as it exists does not allow recovery of any taxes paid.

I am writing you to request that you address the injustice of taxing money that I do not have, money which has been deviously stolen from me on the pretense of ID theft and need for reinvestment into new accounts under a new ID. Surely, I am not the only person thus defrauded and the tax law as it stands penalizes all of us who lost our lifetime's savings and are then asked to bear the extra burden of being taxed on those lost savings.

Since my unfortunate and painful experience, I have seen similar experiences reported in the Washington Post of women who were also highly qualified and who were robbed of their savings in very similar ways. I have come to know that these types of crimes are referred to as 'government impersonation', and the perpetrators described as cyber mafia.

At the end of this document, I have provided 2 sets of links to articles from the Washington Post pertinent to this matter. The first set written by Michael Laris, was published in December, 2023. They detail the scams that was perpetrated on a Ms. Sharples who worked with Al Gore. My situation was most similar to Ms. Sharples' rather than that of other instances given in the columns. The second set of links is to a case where the fraudsters pretended to be FBI agents and involved a Ms. Boivin. These were by Michelle Singletary, published in December 2024.

I request that you provide redress in terms of recovery of paid taxes on money stolen and address the weaknesses in Vermont state law that leave victims such as myself and others with the additional burden of taxes on money lost!

Thank You.

Summary of fraud events

On August 1, I was persuaded by at least 3 different persons posing as being from 3 different organizations that my identity was compromised and my computer hacked. The breach was reportedly suspected of a VSECU employee and the matter was referred to the FTC and FBI. I was also told that my funds would have been accessed by bad actors in Beijing, China for **child pornography**.

I was informed that my interests and funds were going to be safeguarded by the bank's fraud officer 'Anna Collins,' FTC and a DOJ lawyer 'Ryan K. Buchanan', appointed to advocate for my interests. They were going to secure my funds, reinvest them within 60 days to avoid tax liability for me and find additional compensation for my troubles. The third person, Jack Daniels from Microsoft anti-fraud department was going to protect my PC. My complete cooperation was expected to safeguard my interests. And I was not to go public about the matter.

To that end, I was directed to liquidate my investments, pay taxes on them and turn over most of the balance to the bank officer for safekeeping by FTC pending the issuance of a new SSN and opening of a new bank account.

This was the story.

In **reality**, between August 1 and September 15, these people stole my investments and money from my checking account with false promises – having me take out and hand over my funds to them. They have caused me a great deal of stress and have not only left me with no financial security but also created a situation where I will owe more taxes, higher property taxes and possible other costs as a result of the appearance of a substantially increased income for the year 2023.

What they got:

| | | |
|----------|----------------------|----------------|
| Bitcoin: | Gold 2 kgs: | Total: |
| 14940 | 63,250 x 2 = 126,500 | 141,440 |

What I lost:

| Theirs | VT sales tax | Fed Tax | State Tax | Fees | Total |
|--------|--------------|----------|-----------|------|-------------------|
| 141440 | 7590 | 44806.98 | 13442.06 | 30 | 207,309.04 |

Additional taxes due to 'increased income', Fed estimated: 17,700 (pd 11/10/23), VT estimated state tax: 3400 (pd 11/11/23). Grand total: **228,409.04**

Additional losses:

1. I lost my property tax rebate for 2024 and had to pay higher property tax.

2. My Medicare Part B premium assessment for 2025, increased from USD 185 by 406.9 to a total of 591.90.
3. I was assessed a further IRMAA deduction of 78.60 for 2025.

I am in the process of appealing these increments but am not sure how much success I would have because of the way the laws are written.

Here are the Links to the stories of other cases I cited.

Ms. Sharples' story

<https://www.washingtonpost.com/dc-md-va/2023/12/14/cyber-crime-scams-irs-taxes/>

<https://www.washingtonpost.com/nation/2023/12/19/casey-irs-fraud-victims/>

Ms. Boivin's story

<https://www.washingtonpost.com/business/interactive/2024/fbi-imposter-scam-victim-elder-fraud/>

<https://www.washingtonpost.com/business/interactive/2024/scammer-method-weaponize-emotions-steal-victims/>

<https://www.washingtonpost.com/business/interactive/2024/retirement-savings-bank-warnings-scam/>

https://www.washingtonpost.com/business/interactive/2024/scam-elderly-tax-issues-victim-aid-congress/?itid=hp_ts-1-sallys-mix_p001_f011

<https://marylandmatters.org/2024/06/10/state-officials-aarp-urge-older-adults-to-be-on-guard-against-financial-scams/>