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SuspectFraud.com helps protect consumers, save them money

OLYMPIA – July 16, 2015 – A Shelton man hires a contractor to build a deck and pays him cash. But a month later, the deck is only half-finished and the contractor is long gone.

A Thurston County homeowner hires a landscaping crew to work on her yard and pays a substantial amount of cash up front. Then the landscaper disappears.

To help protect you and your property from these kinds of scams, state agencies are urging consumers to “Check with the state before it’s too late!”

Through its website suspectfraud.com, the state has made it easy and convenient to see if a business is registered with the state, behind on its taxes, has complaints filed against it or been subject to state enforcement actions. You can also report people you suspect are cheating on their workers’ compensation or collecting unemployment benefits while working under the table.

The state departments of Revenue, Labor & Industries and Employment Security are promoting a Suspect Fraud awareness campaign to help consumers protect themselves from unscrupulous businesses. Though the awareness campaign wraps up the end of July, suspectfraud.com is available year-round.

“Far too many Washingtonians lose hundreds and sometimes thousands of dollars to unregistered or unlicensed businesses,” said Joel Sacks, director of the Department of Labor & Industries (L&I). “We want people to know that there are state agencies that can help them check out a company before they hire one.”

In the construction industry alone, in fiscal year 2014, L&I issued more than 1,800 infractions to contractors, electricians and plumbers who were not registered to do business or were caught performing construction and repairs without permits. L&I also focuses audits on finding businesses without workers’ compensation insurance or those paying the incorrect amount. One-quarter of the

businesses L&I audited last year didn't have an account set up to pay workers' compensation premiums.

So what's the big deal? Unregistered businesses often ask you to pay in cash and don't pay taxes. They cost the state millions of dollars in unreported taxes that would have gone to support vital public services, including schools, health care, public safety and even unemployment taxes.

"Businesses that fail to register and pay unemployment taxes have an unfair advantage in the marketplace and will be penalized when we catch them," said Dale Peinecke, Employment Security Department commissioner.

When you do business with unregistered businesses, everyone loses.

"When unregistered businesses don't report their taxes or collect sales tax and don't return it to the state, they're stealing from you," said Vikki Smith, Revenue director. "They're stealing your money, your trust, and part of our state's prosperity that we all work so hard to support."

If you suspect a business is not registered, licensed or committing fraud, visit suspectfraud.com and file a report.