# Alabama Department of Revenue & MorphoTrust

# Launch the Nation's 1st Electronic ID

to secure taxpayers' online state tax refunds and prevent refund theft

A brand new technology for AL residents to secure their state income tax refund with their smartphone and selfie.

SAFRAN
MorphoTrust USA

# eID Tax Use Case - Program Spotlight

## **Problem**: *Fraudsters are stealing tax refunds (>$20B per year)*

- No true way for the taxpayer to prove their identity online
- Fraudsters file fake tax returns in advance of the actual taxpayer
- Federal & state governments pay within 30 days but take months to match financial data
- Governments lose money to fraudsters yet still have to pay taxpayers after the identity theft is remedied
- Agency's fraud detection tools are outdated or insufficient

## **Our Solution**: *Authenticate taxpayers against their trusted MVA Record*

- Taxpayers download the eID app, scan their DL/ID and take a selfie to register for their MorphoTrust® eID
- MorphoTrust uses the DL/ID and selfie to authenticate against the MVA (in this case ALEA)
- Upon registration, taxpayers visit their DOR's website to opt-in and lock their account with their eID by using the app to scan a QR code that appears on the DOR's website
- Once a tax refund is filed, the DOR sends a notification to the taxpayer's eID app on their phone, asking them to approve or deny the claim filed.

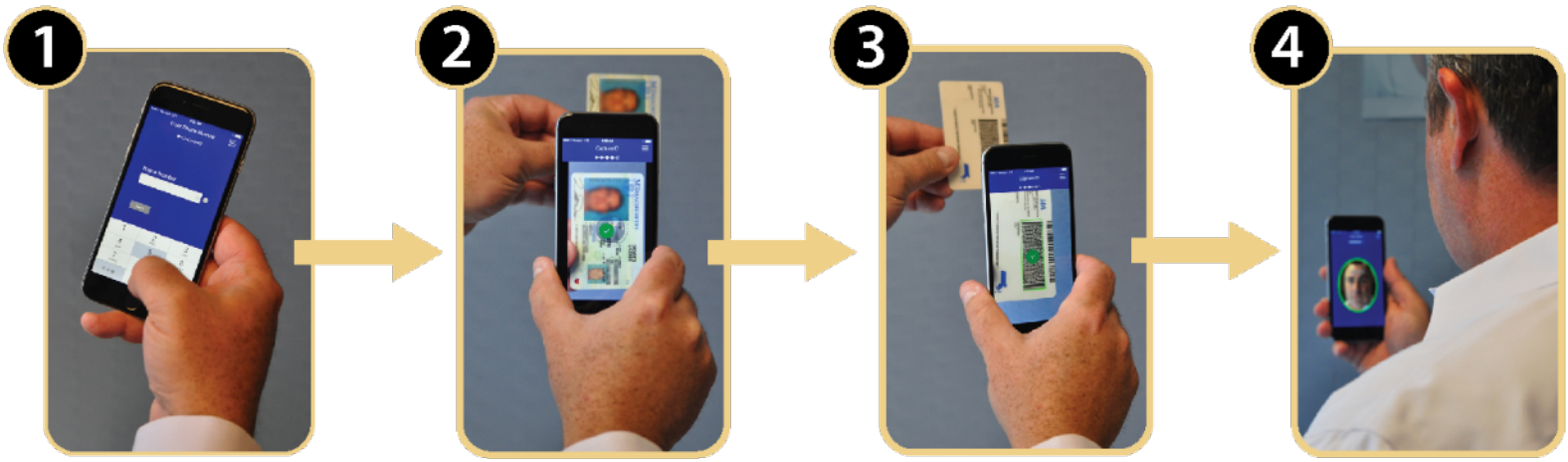
**Visit alabamaeID.com**

SAFRAN MorphoTrust USA

# eID Registration Process

"Something I have"

"Something I am"




1. Bind Phone
2. Scan Front of License/ID
3. Scan Back of License/ID
4. Take a Selfie

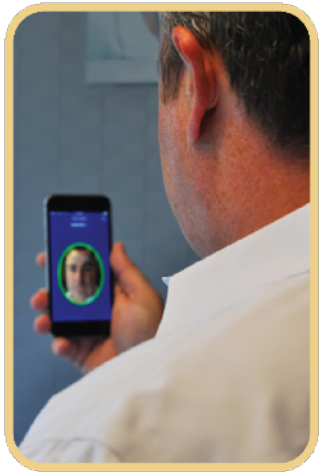
- Bind Phone → SMS Verify
- Scan Front of License/ID → Doc Auth (Cloud)
- Scan Back of License/ID + Take a Selfie → (SOR) Authentication

Phone ✓ Doc Auth ✓ Data ✓ Biometric ✓

MorphoTrust USA, Copyright 2016 – All Rights Reserved

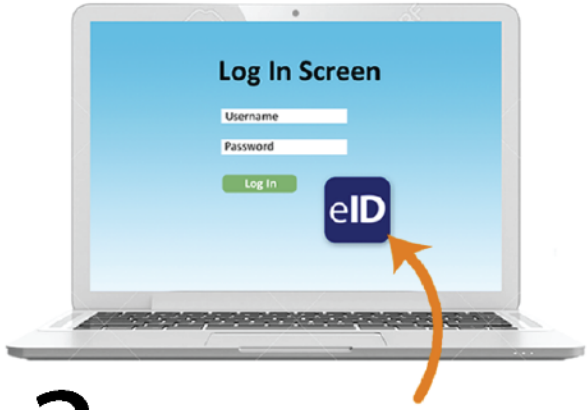
# General Process for Using an eID

1 Open with selfie



**Biometric Unlock** ensures the person holding the phone is the same that registered for the eID

2 Go to relying party login screen on computer




3 Click on eID button

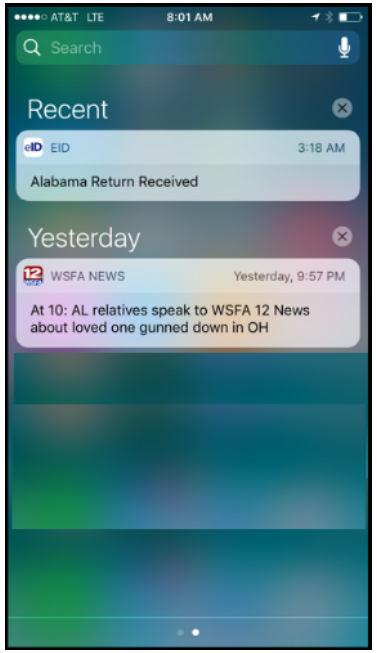
4 Scan QR code to gain access on mobile phone

**For Alabama Taxpayers, it's the My Alabama Taxes website**

MorphoTrust USA, Copyright 2016 – All Rights Reserved

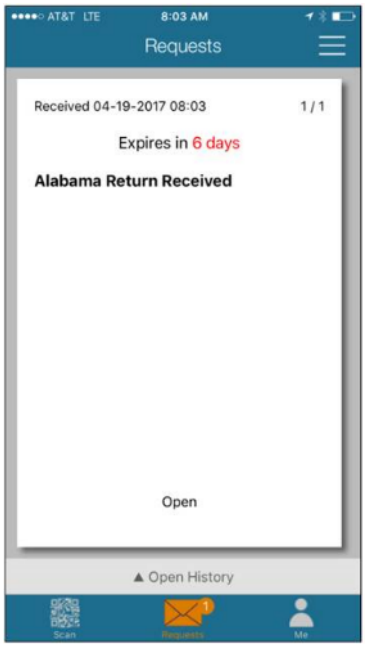
# eID Notification for the Taxpayer

## Step #1



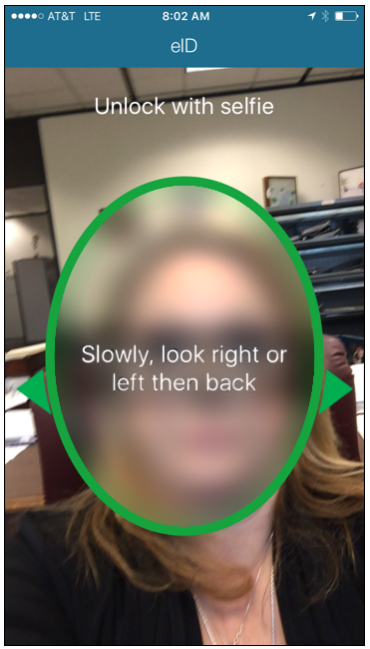

Notification alert appears on taxpayer's phone

## Step #2



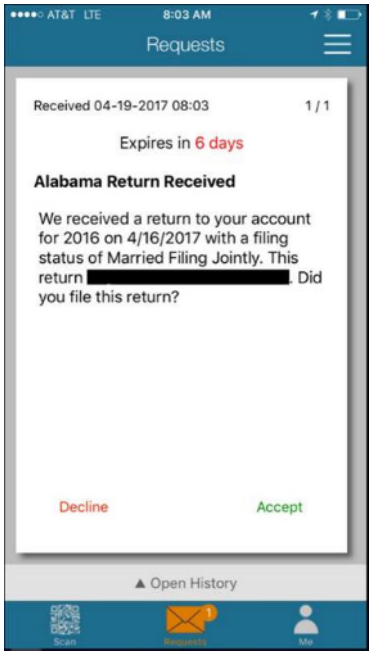

When the notification is clicked, the eID app launches

## Step #3




Taxpayer takes selfie to open full notification alert

## Step #4




Notification alert shows details including date of file, filing status and other information, and asks filer to "Accept" or "Decline"

**Visit alabamaeID.com**

SAFRAN MorphoTrust USA

# Alabama eID Media Launch Coverage - 2017

Alabama Public Service Announcement Video
https://youtu.be/nhZpngKoNQE

## Need to file your AL taxes? Take a selfie!

*Published: Tuesday, April 11th 2017, 11:19 pm EDT*
*Updated: Wednesday, April 12th 2017, 12:21 am EDT*

By Kacey Drescher, Reporter / Anchor CONNECT

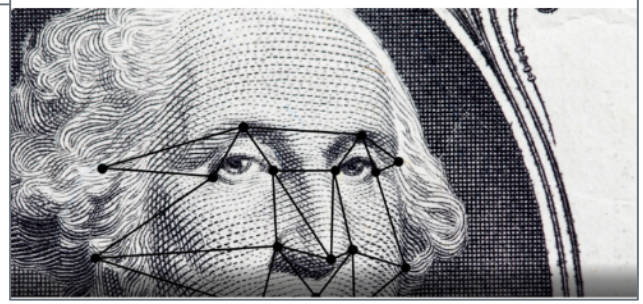
## Snap selfie, file taxes: Alabama launches new eID program in fight against tax fraud

13 | Updated: 5:26 PM CDT Apr 12, 2017

Share

## Alabama Tests Selfie Authentication To Fight Tax Fraud

By PYMNTS



"By implementing state-of-the-art technologies, like the MorphoTrust eID, the state of Alabama continues to demonstrate that it is doing everything possible to protect our taxpayers from anyone looking to steal their information and use it to file fraudulent state tax returns. There are no usernames or passwords; only a person's photo can unlock the eID, making it secure and easy-to-use." Alabama Revenue Commissioner Julie P. Magee, said in a press release issued Tuesday.

**Visit alabamaeID.com**

SAFRAN
MorphoTrust USA

# Alabama eID Media Launch Coverage - 2017

- Filing Taxes With A Selfie? Alabama Testing Facial Recognition Technology To Do Just That
  *CheckTheScience.com*, From IBTimes.com article; Apr 24, 2017
- How Taking a Selfie Could Help You Avoid Tax Fraud
  *TheStreet.com,* Eric Reed, Apr 17, 2017
- April 17, 2017 Episode
  *Alabama Public Television* – "Capital Journal", Don Dailey, Apr 17, 2017
- Need to file your AL taxes? Take a selfie!
  WALB.com, Kacey Drescher, Apr 17, 2017
- Morning Newscast
  *Alabama Public Radio,* Stan Apr 17, 2017
- Hacker Tracker: DataVisor's Global Insight Into Online Fraud
  PYMNTS.com, Apr 14, 2017
- WTVY News 4 This Morning
  WTVY-TV (CBS Dothan), Apr 13, 2017
- New free app protects Alabamians from tax fraud
  WTVY.com, Lisa Sacaccio, Apr 13, 2017
- MorphoTrust USA Launches first US eID in Alabama
  Security Document World, Apr 13, 2017
- WVTM 13 News at 530am
  WVTM-TV (NBC Birmingham), Apr 13, 2017
- MORPHOTRUST LETS YOU FILE YOUR FEES HAVING A SELFIE
  *Live 24 News,* April 13, 2017
- Snap selfie, file taxes: Alabama launches new eID program in fight against tax fraud
  WTVM13.com, Apr 12, 2017
- FOX 10 News at 8AM
  *WALA (FOX Mobile),* Apr 12, 2017
- Accounting News Roundup: Fired KPMG Partners and Tax Return Selfies | 04.12.17
  *Going Concern*, Caleb Newquist, Apr 12, 2017
- MorphoTrust USA Launches first US eID in Alabama
  *Planet Biometrics,* Staff report, Apr 12, 2017
- Alabama Tests Selfie Authentication To Fight Tax Fraud
  *PYMNTS.com*, Staff Report, Apr 12, 2017
- Filing Taxes With A Selfie? Alabama Testing Facial Recognition Technology To Do Just That
  *International Business Times*, Rishabh Jain, April 12, 2017
- New app uses your SELFIES to protect you from tax fraud
  *Daily Mail*, April 12, 2017
- Would you file your taxes with a SELFIE? Firm set to add face-scanning technology that requires users to verify their identify with a picture
  *Daily Mail,* Stacy Liberatore, April 12, 2017
- Sistema permite usar selfies para declarar imposto de renda
  *Olhar Digital,* Gustavo Sumares, April 12, 2017
- MorphoTrust USA launches electronic ID pilot to combat tax fraud in Alabama
  *BiometricUpdate*, Justin Lee, Apr 12, 2017
- Is Using A Selfie To Submit Your Taxes A Good Idea?
  *Refinery29*, Madeline Buxton, Apr 12, 2017
- Headline News from PaymentsNews.com - April 12, 2017
  *PaymentNews.com*, Glenbrook Partners, Apr 12, 2017
- Biometric e-ID Solution to Help Alabamans File Taxes
  *FindBiometrics,* Alex Perala, Apr 12, 2017
- Haven't filed your taxes? Alabama wants you to verify your identity - with a selfie
  *AL.com*, Kelly Poe; Apr 11, 2017
- These hackers want to do your taxes, and take your refund too
  *CNET*, Alfred Ng; Apr 11, 2017
- Need to file your AL taxes? Take a selfie!
  *WSFA.com (NBC Montgomery),* Kacey Drescher, Apr 11, 2017
- WSFA News at 10
  *WFSA-TV (NBC Montgomery),* Apr 11, 2017
- Alabama tests filing taxes via selfie
  *Engadget*, David Lumb, Apr 11, 2017
- Alabama tests filing taxes via selfie
  *TheLoveOfTech.com*, via *Engadget* RSS feed; Apr 11, 2017
- ALABAMA TESTS FILING TAXES VIA SELFIE
  *PeteTheWalrus.com*, via *Engadget* RSS feed; Apr 11, 2017

# Thank you

## Brenda Coone

Deputy Commissioner
Alabama Department of Revenue
brenda.coone@revenue.alabama.gov

**Visit alabamaeID.com**

## Mark DiFraia

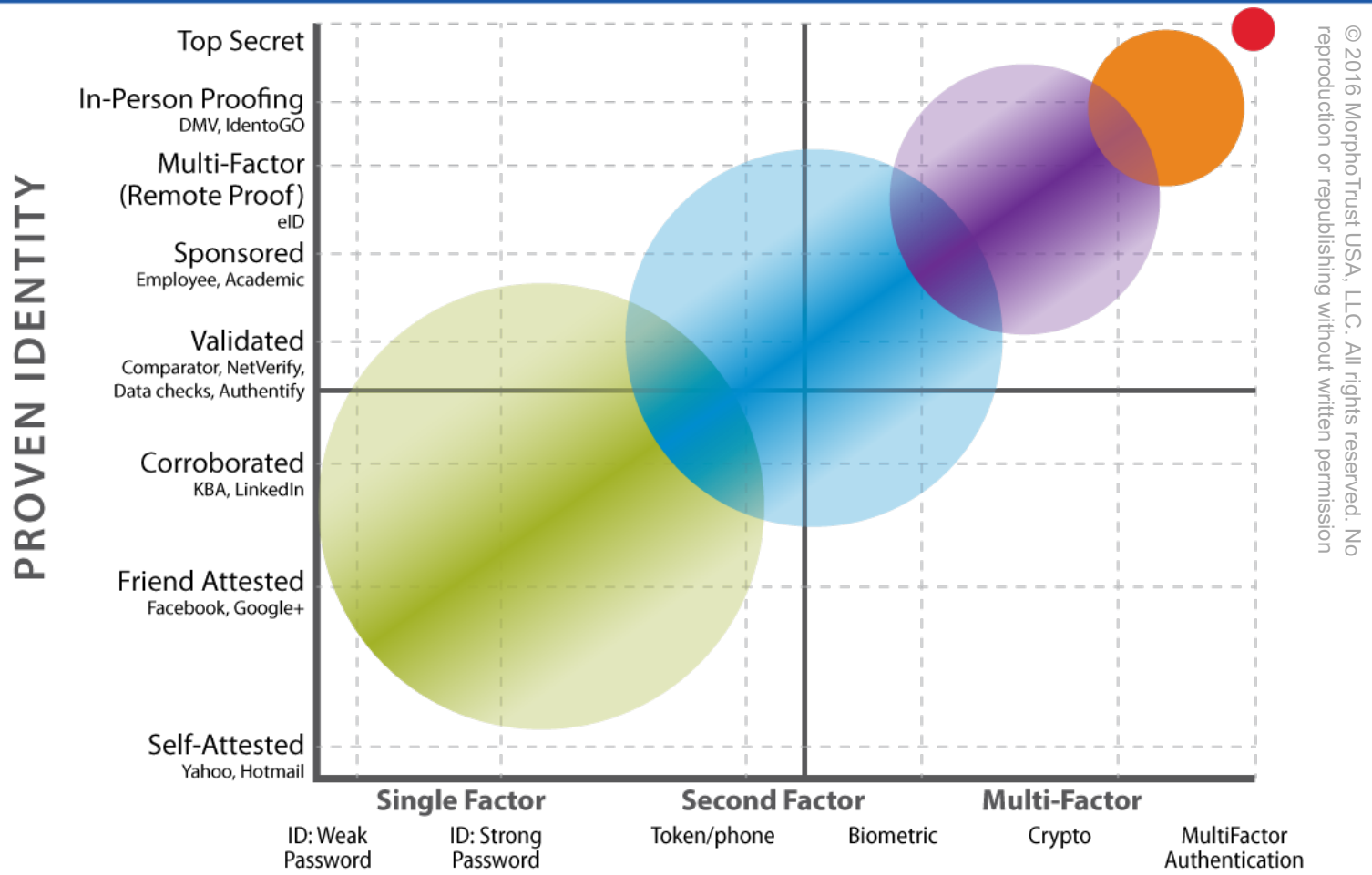
Sr. Director, Digital Credentials & Ecosystems
MorphoTrust USA

mdifraia@morphotrust.com

# Back-up Slides

# Final point…

## *Balancing Authentication & Proofing*



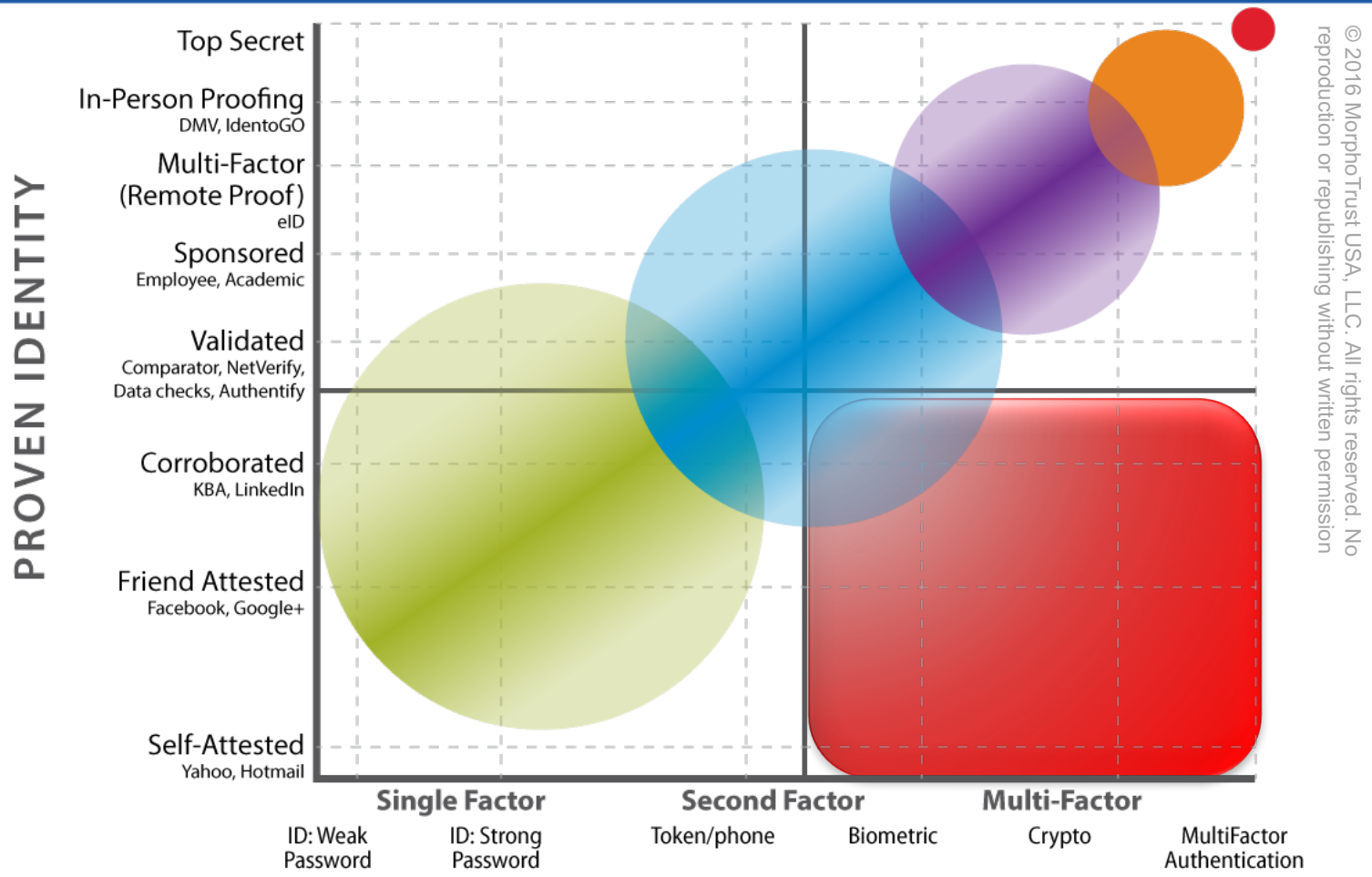

© 2016 MorphoTrust USA, LLC. All rights reserved. No reproduction or republishing without written permission



SAFRAN
MorphoTrust USA

# Final point…

## *Balancing Authentication & Proofing*



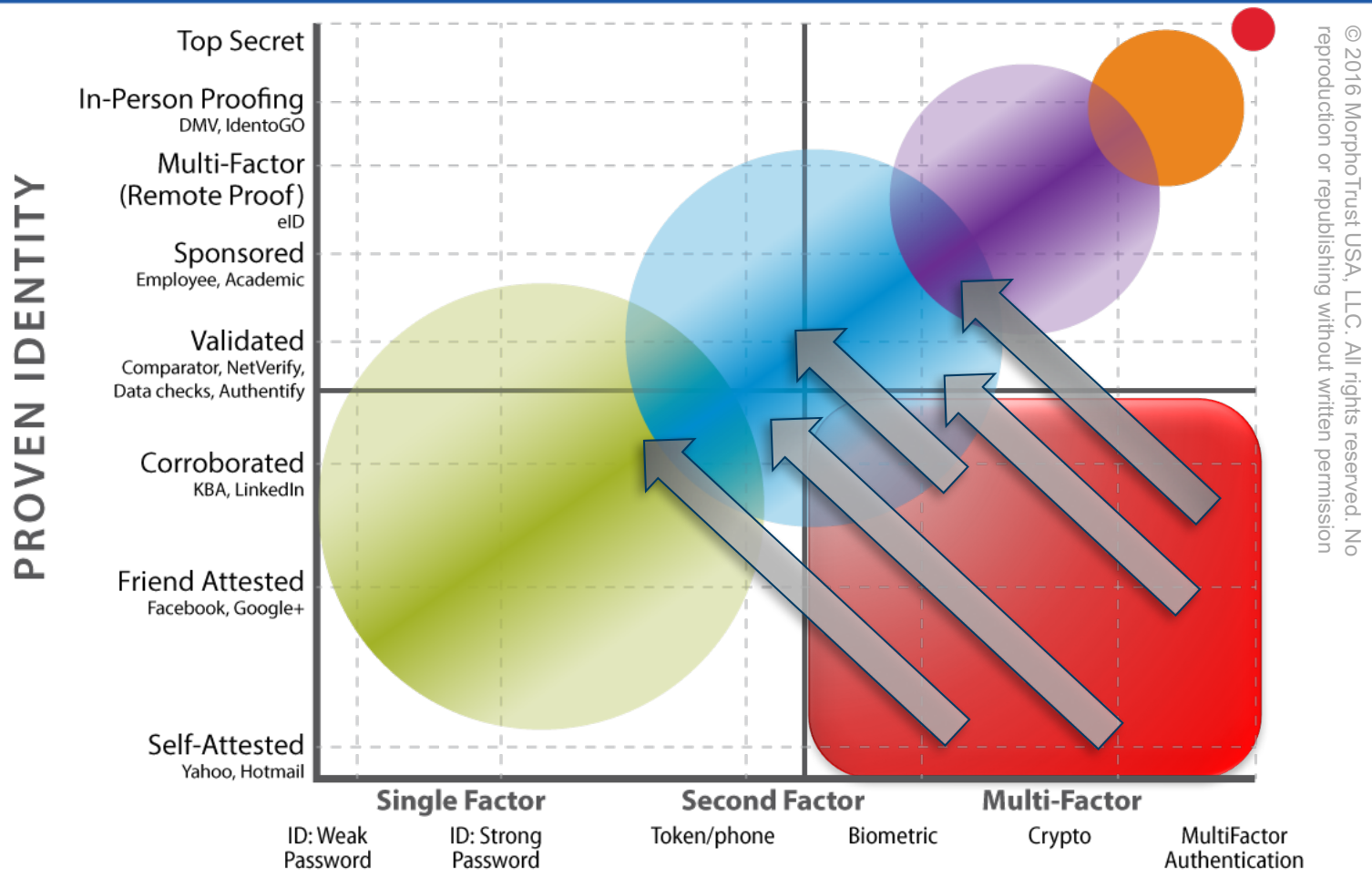

© 2016 MorphoTrust USA, LLC. All rights reserved. No reproduction or republishing without written permission



SAFRAN
MorphoTrust USA

# Final point…

## *Balancing Authentication & Proofing*




© 2016 MorphoTrust USA, LLC. All rights reserved. No reproduction or republishing without written permission



SAFRAN
MorphoTrust USA