



Cybersecurity

- **Insight 1 [S, Confidence: Moderate]:** The IRS has clarified the deductibility of theft losses for scam victims, highlighting that only a narrow set of criteria will allow taxpayers to claim deductions, which may not cover popular scams like romance scams. This indicates a growing sophistication in scams and a potential gap in financial relief for victims.
Credibility: High, based on official IRS memorandum and historical context of tax code changes.
Coherence: Consistent with trends of increasing cybercrime sophistication and the need for updated policy responses.
Confidence: Moderate, given the specificity of IRS guidelines and potential for future policy adjustments.

Sentiment Overview:

The sentiment is neutral, reflecting a technical clarification rather than an emotional or contentious issue. However, there is an underlying tension due to the potential financial impact on scam victims.

Policy Relevance:

This insight underscores the necessity for government and financial agencies to enhance support mechanisms for scam victims, potentially through legislative updates to tax codes or increased public awareness campaigns about scam prevention and financial recovery options.

Legend – Analytic Tags & Confidence Levels

- **[G] Geopolitical Risk:** International power shifts, diplomatic tension, or alliance impact.
- **[S] Security/Intelligence Signal:** Operational or tactical insight for defense, police, or intel agencies.
- **[R] Strategic Disruption:** Systemic instability in digital, economic, or governance structures.

Confidence Levels Explained

- **High:** Strong corroboration and high reliability.
- **Moderate:** Some verification; potential ambiguity.
- **Low:** Limited sources, weak signals, or early-stage indications.