

## Gift Card Scams.

Purchasing a gift card might seem like an easy and simple solution for a last minute gift or a hard-to-buy-for relative. There is nothing to wrap, the size and color are always right and the convenience is unbeatable.

But, that convenience may be undermined by a scam that impacts consumers. This scam is really quite simple. Thieves record the gift card information and then call the toll free phone number in a few days to check the balance. Once they know it has been activated and how much it is worth, they cash in. Thieves easily use the gift card information to shop online – depleting the values of the card that the purchaser still possesses.

The same can be done in a more sophisticated fashion – thieves use small handheld scanners to read the serial number embedded in the card and then return home to reprogram used cards with the stolen data. Those reprogrammed cards can be used in the store once activated or sold online.

Another variation of this scam includes carefully removing new, inactive cards from their packaging and replacing them with used blank cards. The thieves keep the card numbers of the used card and when the shopper activates it, the thieves again have access to that money.

## Tips to Protect Yourself

While you may not want to substitute cash or a traditional gift for a gift card, you can take some steps to help protect yourself:

- Inspect the card you wish to purchase carefully – if it appears to be tampered with, move on.
- When possible, ask for a card from behind the counter, instead of selecting one from a rack available to the public.
- Be sure any activation labels or scratch-off areas are intact.
- Do not give your personal information such as a social security number to the cashier. The store does not need it.

- Immediately after activation, ask the cashier to scan the card so that you can verify that the amount you requested is available.
- Keep your receipt as proof of purchase and value.
- If shopping online, only buy direct from the company issuing the gift card.
- Do not buy from online auction sites as gift cards may be counterfeit, stolen or valued at less than promised.

## Additional Gift Card Tips

- Ask about, or read the fine print for, expiration dates.
- Be aware of any usage or dormancy fees.
- Consider fees for both the purchaser and the user.
- Check for purchase exceptions – can the card be used to purchase anything?
- Is the card also valid for online purchases?
- Treat the card like cash.



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