WATCH OUT FOR GIFT CARD SCAMS

Gift card scams have cost consumers hundreds of millions of dollars in recent years, and the reported losses continue to rise.

Typically, gift card scams involve fraudsters calling or emailing consumers and tricking them into sending payment through gift cards. Scammers often "spoof" their communications (using phony caller ID information or an email address that may look familiar to the victim) or pretend to be law enforcement, a relative, or friend of the victim so that they appear legitimate.

Common gift card fraud schemes, include:

- Government Agency – Consumers receive calls from individuals claiming to be from government agencies such as the Internal Revenue Service or Social Security Administration and demanding payment in the form of gift cards to prevent the consumer from being arrested or having a social security number frozen;
- Family Emergency – Callers claim to be or to know a relative or friend and seek emergency funds in the form of gift cards to help with bail or some legal or medical emergency. These scammers often target the elderly by posing as the consumer's grandchild;
- Technology Support – A tech-support imposter alleges an issue with a consumer's account, computer, or a data breach and demands payment via gift card in order to fix the problem;
- Merchant Refund – Scammers claim to have "over-credited" a refund and demand repayment for the excess funds in the form of gift cards; and
- Utility – Callers threaten to shut off electric or gas services unless the consumer makes immediate payment in the form of gift cards.

How to protect yourself:

- Never use a gift card to make a payment or to transfer money. Government agencies and legitimate businesses will never ask you to pay with gift cards;
- Avoid sharing gift card information—including via phone, text, email, or photo—to pay bills or fees, or to fix any other problem;
- Verify that urgent requests or emergencies that involve family, friends, or co-workers are real by calling the person directly to confirm they need your help;
- Hang up on any caller who tells you to lie to a store clerk about why you are purchasing gift cards;
- Keep the receipt or the gift card ID number to file a report if you lose the gift card or suspect fraud; and
- Before you buy gift cards, check for package tampering, including a visible PIN, which could be signs the gift card is compromised.

CONSUMER PROTECTION
OFFICE OF ATTORNEY GENERAL
1720 BURLINGTON DR, SUITE C
BISMARCK, ND 58504
701-328-3404
800-472-2600 (Toll Free in ND Only)
www.attorneygeneral.nd.gov

July 2022