

'TIS THE SEASON For Charity Scams

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Shortly after Hurricane Katrina slammed into the Gulf Coast, a website sprang up asking for donations for an ex-Air Force pilot who said he'd evacuated local political figures before the storm made landfall and was now airlifting medical supplies and rescuing critical patients with his own money.

It was all a scam. The man wasn't a pilot, and he never delivered any supplies. He was simply pocketing the money collected through his website. Following an FBI investigation, he's now in jail for fraud.

You'd think that con artists would be LEAST likely to strike following a major tragedy. Not so. We've seen them prey on the rising tide of goodwill and generosity in disaster after disaster—from Hurricane Katrina...to the Asian tsunami, from the Sago mine tragedy...to the London terrorist bombings.

And they're MORE LIKELY to con you at this time of year, when they know you're in a giving mood—and perhaps thinking of year-end tax deductions.

Don't let it happen to you. The holidays are a time for giving, but not for giving unwisely. Jack Liao, a supervisory special agent at FBI Headquarters who specializes in fraud investigations, has some advice to reduce your chances of getting scammed:

- “Our basic rule of thumb is: when in doubt, check it out,” says Liao. “Ask a lot of questions and get information in writing if you're not sure about a charity. If you get fuzzy or unsatisfying answers about the charity, its fundraising activities, and the tax-deductibility of donations, think about taking your money elsewhere.”
- “Make sure you get the actual name, address, and phone number of the charity before giving. Then check it out by going to the IRS website at www.irs.gov, which has an updated list of legitimate charities and non-profit groups, or by calling the IRS toll-free at (877) 829-5500. Another useful website is www.give.org, part of the Better Business Bureau's Wise Giving Alliance.”
- “Don't ever, ever give out personal or financial information to anyone who has contacted you out of the blue. That's just leaving yourself wide open to the theft of your money and your identity.”
- “Don't be intimidated into giving. You have the right to say no. If you're really unsure who you're talking with, just tell them you want to do some checking first and ask for a way to contact them later if you decide to give.”

Should you exercise due diligence even if there are no major charity drives this holiday season? “Absolutely,” says Liao. “There is more giving during the holidays overall and just about any cause can be exploited. So be crime smart—don't give unless you're really sure about who you're giving to.”

And what if you do get scammed? “Contact the Federal Trade Commission toll-free at (877) FTC-HELP. Also report the fake charity to the state attorney general where you live and/or where the charity is located. By stepping forward, you can help put these scam artists out of business.”
And that's a holiday gift that keeps on giving.