CHARITIES & CONTRIBUTIONS

If you're considering donating to a charity, do some research before you give. By finding out as much as you can about the charity, you can avoid fraudsters who try to take advantage of your generosity.

South Dakota does not have licensing or registration requirements for non-profit or charitable organizations. Also, South Dakota does not require charitable organizations who conduct solicitations via direct mail to register. Paid solicitors who conduct telephone solicitation campaigns on behalf of a charitable organization are required to be registered and bonded with Attorney General’s Office, Division of Consumer Protection. Paid solicitors hired by a charity or non-profit are also required to provide solicitation campaign notices and financial reports to Consumer Protection.

Although charities are not required to be registered, here are tips to help make sure that your charitable contributions actually go to the cause you wish to support:

- Ask for detailed information about the charity, including name, address, and telephone number.
- Get the exact name of the organization and do some research. Searching the name of the organization online — especially with the word “complaint(s)” or “scam” — is one way to learn about its reputation.
- Call the charity. Find out if the organization is aware of the solicitation and has authorized the use of its name. The organization’s development staff should be able to help you.
- Check if the charity is trustworthy by contacting the Better Business Bureau’s (BBB) Wise Giving Alliance (www.bbb.org/us/charity), Charity Navigator (www.charitynavigator.org), Charity Watch (www.charitywatch.org), or GuideStar (www.guidestar.org).

- Ask if the caller is a paid fundraiser. If so, ask:
  - The name of the charity they represent
  - The percentage of your donation that will go to the charity
  - How much will go to the actual cause to which you’re donating
  - How much will go to the fundraiser
• Keep a record of your donations.
• Visit the Internal Revenue Service (IRS) webpage at http://apps.irs.gov/app/eos/ to find out which organizations are eligible to receive tax deductible contributions.
• Know the difference between “tax exempt” and “tax deductible.” Tax exempt means the organization doesn’t have to pay taxes. Tax deductible means you can deduct your contribution on your federal income tax return.
• Never send cash donations. For security and tax purposes, it’s best to pay by check (made payable to the charity) or by credit card.
• Never wire money to someone claiming to be a charity. Scammers often request donations to be wired because wiring money is like sending cash: once you send it, you can’t get it back.
• Do not provide your credit or check card number, bank account number or any personal information until you’ve thoroughly researched the charity.
• Be wary of charities that spring up too suddenly in response to current events and natural disasters. Even if they are legitimate, they probably don’t have the infrastructure to get the donations to the affected area or people.
• If a donation request comes from a group claiming to help your local community (for example, local police or firefighters), ask the local agency if they have heard of the group and are getting financial support.

Though the National Do Not Call Registry gives you a way to reduce telemarketing calls, charities and political groups are exempt. If a charity or non-profit is calling or sending you mailings, you can request that they remove your name and address from their system, and that they cease contact. If you request to be removed from a calling/mailing list and the charity continues to solicit you, they may be subject to a fine.

CHARITABLE SWEEPSTAKES
Be cautious of promises of guaranteed sweepstakes winnings in exchange for a contribution. According to U.S. law, you never have to make a donation to be eligible to win a sweepstakes. Both donor and non-donor sweepstakes participants have an equal chance of winning a prize.

Although a sweepstakes letter indicates "you’re a winner," it’s unlikely that you have won the "grand prize." For a national direct mail campaign, a charitable organization may mail from a half million to ten million or more letters.

Charitable Sweepstakes Scams
Charities and fundraisers (groups that solicit funds on behalf of organizations) use the phone, face-to-face contact, email, the internet (including social networking sites), and mobile devices to solicit and obtain donations. Naturally, scammers use these same methods to take advantage of your goodwill. Regardless of how they reach you, avoid any charity or fundraiser that:
• Refuses to provide detailed information about its identity, mission, costs, and how the
donation will be used.

- Won't provide proof that a contribution is tax deductible.
- Uses a name that closely resembles that of a better-known, reputable organization.
- Thanks you for a pledge you don't remember making.
- Uses high-pressure tactics like trying to get you to donate immediately, without giving you time to think about it and do your research.
- Offers to send a courier or overnight delivery service to collect the donation immediately.
- Guarantees sweepstakes winnings in exchange for a contribution. By law, you never have to give a donation to be eligible to win a sweepstakes.

If you believe you have been a victim of a charity/non-profit scam, contact the Attorney General's Office, Division of Consumer Protection www.consumer.sd.gov or 1-800-300-1986 to file a complaint. Your information can help detect patterns of wrong-doing.