



NEWS RELEASE

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Attorney General Jackley Reminds Consumer to be Cautious of Scams Involving Gift Cards

PIERRE, S.D. – Attorney General Marty Jackley is reminding South Dakotans to be vigilant of gift card scams this holiday season.

“Gift cards are becoming the gift of choice for many gift givers, but also another opportunity for scammers to steal from trusting consumers,” said Jackley. “Anyone who demands payment via gift cards is always running a scam.”

The old scam was centered around wiring money but has evolved into the scammer asking consumers to put money on a gift cards. The scam works like this, the caller will tell you to buy a popular gift card from a particular store near you. They may even ask you to buy several cards at several different stores. Once you buy the card, the caller then will demand the gift card number and PIN on the back of the card. The scammer will tell you this is to verify the cards on their end and that because you physically have the card they have no access to the funds. That is NOT true, giving the scammer the back numbers allow them to immediately obtain the money you loaded onto the card. And once they’ve done that, the scammers and your money are gone.

Other kinds of gift card scams include:

- callers claiming a sweepstakes prize, but you must use a gift card to pay fees or other charges
- callers pretending to be from a utility company, telling you to pay your bill by gift card or your power or water will be shut off
- sellers on online auction sites who ask for gift cards to “buy” big items like cars, motorcycles, boats, RVs, tractors and electronics
- someone posing as a servicemember to get your sympathy, saying there is a need to sell something quickly before deployment and needs you to pay by gift card
- someone buying something from you, probably online, who sends a check for more than the purchase price – and asks you to give them the difference on a gift card.

If you have gotten caught up in a gift card scam, immediately contact the company that issued the card. When you contact the company, tell them the gift card was used in a scam. Ask them to freeze the card and if they can refund your money. If you act quickly enough, the company might be able to get your money back. Also ask for a transaction history.

When buying and receiving gift cards use the following tips:

- **Buy gift cards from sources you know and trust**
- **Inspect a gift card before you buy it**
- **Keep the receipt with the gift card**
- **Read the terms and conditions of the gift card**
- **Use the card as soon as you can**
- **Treat gift cards like cash**

For additional information on this scam or if you're having problems contacting a gift card company, contact the Attorney General's Consumer Protection Division at 800-300-1986 or email at consumerhelp@state.sd.us.