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Attorney General Steve Marshall Urges Consumers to Stay Vigilant of Charity Fraud

(MONTGOMERY) – Attorney General Steve Marshall marked the second International Charity Fraud Awareness Week by urging consumers to maintain their vigilance. The Alabama Attorney General’s Office joined state regulators, the Federal Trade Commission (FTC) and the National Association of State Charities Officials, as well as partners around the world, to help charities and consumers avoid fraud and promote wise giving.

“The people of Alabama are compassionate and generous, and our hearts go out to those who are suffering and in need,” said Attorney General Marshall. “But we must not let scam artists exploit this good nature and concern, keeping money from reaching those who are truly in need. We hope that consumers and businesses who are asked to give will use the resources we are providing this week to give carefully, wisely and safely so that their donations may reach legitimate charities who will use these funds responsibly.”

Resources for Consumers

Attorney General Marshall reminds consumers that when they donate it is important to take steps to make sure their money goes to a charity that in fact helps make a difference. Many reputable charities are deserving of support. Consumers may find tips for finding reputable organizations and for wise giving at the FTC’s page [How to Donate Wisely and Avoid Charity Scams](#).

Attorney General Marshall recommends that consumers take the following precautions:

Do your research

- You may search charities registered in Alabama here: [Alabama Registered Charities Search](#).
- Search the charity’s name online with words like “complaint” and “scam.”
- Check out the charity’s ratings with groups like the [BBB Wise Giving Alliance](#), [Charity Navigator](#), [Charity Watch](#), and [Guidestar](#).
- Use the IRS’s [Tax Exempt Organization Search](#) to see if your donation is tax-deductible.

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Ask questions

- What is the charity's website, address, and mission?
- How much of your donation will go directly to services, rather than fundraising?
- How much of your donation will be used for the specific programs you want to support?
- If supporting services in your own community is important to you, ask how the charity spends money in your area.

Be careful how you pay

- If someone asks you to send them cash, wire money, donate by gift card, or leave money under your front door mat for pick-up, don't do it! That's how scammers often ask you to pay. It's safer to pay by credit card or check.
- If you're donating online, check that the webpage where you enter your payment information has "https" in the web address. That means your information is transmitted securely.
- Avoid cash donations, if possible. Pay by credit card or write a check directly to the charity. Legitimate charities will give you a receipt that shows the amount of your donation. Keep that record and check your credit card statements to make sure you're only charged for the donation you wanted to make.

Watch out for scammers' tricks

- Scammers often use a spoofed phone number to make their fundraising calls look like they're from your local area code, a Washington, D.C. area code, or from an organization you know.
- Scammers pressure you into donating immediately before you have time to do any research. A legitimate charity will welcome your donation at any time.
- Scammers claim that you'll win a sweepstakes or get a prize if you donate, which is against the law.
- Scammers will thank you for a donation you don't remember making. Scammers do that to trick you into thinking you actually made a pledge and to guilt you into sending money.

What about donation requests through social media and crowdfunding sites?

Attorney General Marshall advises consumers to be mindful that, while many requests for donations through social media and crowdfunding sites are legitimate, some requests are scams. For example, there are people who misuse real pictures and stories to get you to donate, but the money goes into their own pockets. Crowdfunding sites often have little control over who uses them and how donations are spent. Do research before you give. Also, if tax deductions are important to you, remember that donations to individuals are not tax-deductible.

The safest way to give on social media or through crowdfunding is to donate to people you actually know who contact you about a specific project. Don't assume that solicitations on social media or crowdfunding sites are legitimate – even when they are shared or liked by your friends. Do your own research. Call or contact your friends offline and ask them about the post they shared. The FTC offers information on its page about [Understanding Crowdfunding](#).

Advice for Businesses

Attorney General Marshall said it is important also for businesses to be careful when they are approached for charitable contributions. It is important that these donations go to reputable non-profits, and that businesses avoid inadvertently associating their companies with a questionable fundraising campaign. The FTC provides these tips at [Tips for Retailers: How to Review Charity Requests](#). Attorney General Marshall notes that when companies lend their names to charities through a sponsorship or by allowing fundraising on their property, their own reputations are on the line. Customers and members of the community may interpret that as a “stamp of approval” and feel safe to donate to the cause being championed by a business. He advises that before lending a business's name to a charity or allowing solicitations on their premises, the business should find out more about the charity making such requests.

Consumers and businesses with questions or concerns may contact Attorney General Marshall's Consumer Interest Division by calling toll-free 1-800-392-5658, by writing to 501 Washington Avenue, Montgomery, Alabama 36130, or through the Attorney General's web page at <https://www.alabamaag.gov/>.

Additional information may be found at these links to FTC information pages and videos:

[Donating Through an Online Giving Portal](#)
[Giving to Organizations That Help Military Servicemembers and Their Families](#)
[Make Your Donations Count](#)
[Charity Scams after a Disaster](#)
[Stop Veteran Charity Scams](#)