

Privacy Tip #310 – Gift Card Scams Rampant During the Holiday Season

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Gift card scams continue to be one of the most frequently-reported scams to the Federal Trade Commission (FTC). According to its recent [Scam Alert](#) entitled *Scammers are tricking more people into buying gift cards*, “40,000 people reported losing a whopping \$148 million in gift cards to scammers during the first nine months of 2021.”

FTC’s records show that gift card scams are the most frequently-reported payment method for fraud since 2018, and that the scams and fraud have increased year after year. The most frequent scam request for gift cards are for “Google Play, Apple, eBay and Walmart cards.” This year, “Target gift cards are scammers’ top choice.”

The schemes start with a telephone call from a caller impersonating a government employee or a business threatening to freeze your bank account or asserting that you will be arrested if you don’t pay an outstanding balance. They tell you that you can avoid these measures if you pay with a gift card. They are so bold that they will tell you to stay on the phone and go buy the gift card while the caller is still on the phone, then ask for the code on the back of the card.

The FTC warns that if you receive a call like this, “stop. No matter who calls, texts, or emails you telling you to pay with a gift card, it is always a scammer. The government and legitimate businesses will never call you demanding payment with a gift card.”

Gift cards are great gifts, but not to line the pockets of criminals. Be wary of these types of scams and stay safe during the holiday shopping season.

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