Yarmouth Police Department

Excellence in Policing

Kal Boghdan
Lieutenant

Check Fraud

The check fraud cases are often a single check obtained (usually by stealing it from a mailbox) and then copied and counterfeited. The checks are then deposited, and the money withdrawn before the victims reconcile their statements and realize the money is missing. The payment amount is regularly in the thousands (e.g. you write a check to someone for $75, the thieves are changing it to $5000)

The other variation to this is the overpayment scam where an individual is selling an item, usually online. They are contacted by someone wishing to purchase the item/service etc. The purchaser overpays for the item and then asks the seller/victim to transfer the overpayment back to them or to a third party. This is usually done either by peer to peer (e.g. Zelle) or gift card. Once the check is reconciled by the bank, it turns out to be counterfeit and the victim is out the money.

Tax Scams

Since it's tax season, I expect to see the annual increase in tax related scams where the IRS or someone else (utility company) contacts the victim and tells them they owe money. Payment is demanded either by gift card or Zelle, etc or the victim will be arrested, their service will be turned off, etc.....Remind them that the IRS never calls to say you owe money, they aren't coming to your house to arrest you (or to shut your utility service off), and NOBODY (not the government, the utility companies, or any other organization) accepts payment by gift card or Zelle.

ANY PAYMENT for ANYTHING by gift card or peer to peer transfer (Zelle, Cashapp, etc) is a scam.

One Brad Erickson Way, West Yarmouth, Massachusetts 02673 • Phone: (508) 775-0445 • Fax: (508) 862-2721

have you HEARD about...

Grandkid Scams

Here's how they work:

You get a call: "Grandma, I need money for bail." Or money for a medical bill. Or some other kind of trouble. The caller says it's urgent — and tells you to keep it a secret.

But is the caller who you think it is? Scammers are good at pretending to be someone they're not. They can be convincing: sometimes using information from social networking sites, or hacking into your loved one's email account, to make it seem more real. And they'll pressure you to send money before you have time to think.

Here's what you can do:

1. **Stop. Check it out.** Look up your grandkid's phone number yourself, or call another family member.

2. **Pass this information on to a friend.** You may not have gotten one of these calls, but chances are you know someone who will get one — if they haven't already.

Want to know more? Sign up for scam alerts at ftc.gov/subscribe.

...Pass it ON

Please Report Scams

If you spot a scam, please report it to the Federal Trade Commission.

- Call the FTC at 1-877-FTC-HELP (1-877-382-4357) or TTY 1-866-653-4261
- Go online: ftc.gov/complaint

Your complaint can help protect other people. By filing a complaint, you can help the FTC's investigators identify the imposters and stop them before they can get someone's hard-earned money. It really makes a difference.

If you spot a scam...

Tell someone
Then tell the **FTC**

ftc.gov/complaint
1-877-FTC-HELP
(1-877-382-4357)

If you spot a scam, report it at
ftc.gov/complaint.

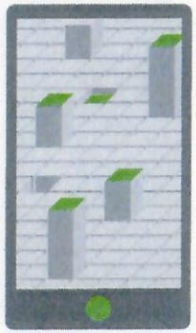
Your reports help the FTC and other law enforcement investigate scams and bring crooks to justice.

FEDERAL TRADE COMMISSION
August 2018

10 things you can do to AVOID FRAUD

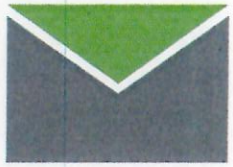
1 Spot imposters. Scammers often pretend to be someone you trust, like a government official, a family member, a charity, or a company you do business with. Don't send money or give out personal information in response to an unexpected request – whether it comes as a text, a phone call or an email.

2 Do online searches. Type a company or product name into your favorite search engine with words like "review," "complaint" or "scam." Or search for a phrase that describes your situation, like "IRS call." You can even search for phone numbers to see if other people have reported them as scams.



3 Don't believe your caller ID. Technology makes it easy for scammers to fake caller ID information, so the name and number you see aren't always real. If someone calls asking for money or personal information, hang up. If you think the caller might be telling the truth, call back to a number you know is genuine.

4 Don't pay upfront for a promise. Someone might ask you to pay in advance for things like debt relief, credit and loan offers, mortgage assistance, or a job. They might even say you've won a prize, but first you have to pay taxes or fees. If you do, they will probably take the money and disappear. Learn where to get real help with these issues at **consumer.ftc.gov**.



5 Consider how you pay. Credit cards have significant fraud protection built in, but some payment methods don't. Wiring money through services like Western Union or MoneyGram is risky because it's nearly impossible to get your money back. That's also true for reloadable cards (like MoneyPak or Reloadit) and gift cards (like iTunes or Google Play). Government offices and honest companies won't require you to use these payment methods.

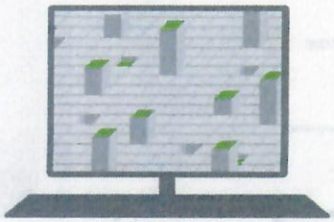
6 Talk to someone. Before you give up your money or personal information, talk to someone you trust. Con artists want you to make decisions in a hurry. They might even threaten you. Slow down, check out the story, do an online search, consult an expert — or just tell a friend.

7 Hang up on robocalls. If you answer the phone and hear a recorded sales pitch, hang up and report it to the FTC. These calls are illegal, and often the products are bogus. Don't press 1 to speak to a person or to be taken off the list. That could lead to more calls.

8 Be skeptical about free trial offers. Some companies use free trials to sign you up for products and bill you every month until you cancel. Before you agree to a free trial, research the company and read the cancellation policy. And always review your monthly statements for charges you don't recognize.

9 Don't deposit a check and wire money back. By law, banks must make funds from deposited checks available within days, but uncovering a fake check can take weeks. If a check you deposit turns out to be a fake, you're responsible for repaying the bank.

10 Sign up for free scam alerts from the FTC at ftc.gov/scams. Get the latest tips and advice about scams sent right to your inbox.



IRS IMPOSTER SCAMS

The Internal Revenue Service (IRS) is the government agency that collects federal taxes.

Scammers pretend to be IRS officials to get you to send them money.

How the scam works

You get a call.

- IRS — Your caller ID might show it's the IRS calling.
- The caller might give a badge number and know the last four digits of your Social Security number.

You are told:

- "You owe money."
- "You better pay now or you'll be arrested."
- "Put money on a prepaid debit card or wire it to us."

If you pay...

You find out it wasn't the IRS. It was a scam. → The money is gone.

Warning signs

How will the IRS first contact you?		How will the IRS ask you to pay?	
Phone call	NO	With a prepaid debit card	NO
Email	NO	With a money transfer	NO
Mail	YES	Won't require a specific type of payment	YES

Got a call?

Don't give the caller information
such as your financial or other personal information.

Write down details
such as the number and name of the caller.

Hang up

Contact the IRS directly
If you think you may owe back taxes, call the IRS at **800-829-1040** or visit **irs.gov/balancedue**.

Report the call
File a complaint with:

- the Treasury Inspector General for Tax Administration (TIGTA) at tigta.gov or 800-366-4484.
- the FTC at ftc.gov/complaint or 877-FTC-HELP.

Warn friends and family
Tell people you know that these calls are scams.

ftc.gov/imposters

Federal Trade Commission
January 2020

Don't Be the Victim of a Check Scam!

You receive a check or money order. The sender asks you to deposit the check or money order into your account and then wire-transfer him or her the money — minus a nice bonus as a "thank you" for helping out.

Should You Wire Money to a Stranger?

U.S. Postal Inspectors hope you say: *Absolutely not!* The offer may sound like a nice deal, but — as usual — it's just too good to be true. The check you receive will be counterfeit. And you'll be out the money.

How Does the Check Scam Work?

The "pitch" stays the same, but it appears in the following typical disguises:

- You're overpaid for an item you sold on the Internet and are asked to wire-transfer back the extra dollars.
- You receive a check and notification that you've won a foreign lottery or sweepstakes. You're told to deposit the check, representing a portion of your winnings, and wire-transfer $2,000 to $5,000 back "to cover the taxes" so you can collect the rest of your winnings.
- You receive a work-at-home offer that promises, in return for depositing a money order or check to your bank account, you can keep a percentage of the money after wire-transferring the rest.
- Someone in a chat room asks you for a favor: Just cash a check and wire-transfer back the money.

Regardless of the Pitch, the Result Is the Same

The check or money order you receive for deposit will be a counterfeit. It will be returned to your bank unpaid, and the full amount will be deducted from your account.

UNITED STATES POSTAL SERVICE

Who Is Responsible for Losses to Your Account?

You are responsible for any check or money order you deposit to your account. If the check or money order turns out to be a counterfeit, or is returned unpaid for any reason, you are fully responsible for the loss.

Why Did the Bank Allow You to Withdraw the Money?

Federal law requires banks to make deposited funds available within 1 to 5 business days. Just because you can withdraw cash from your account soon after depositing a check or money order doesn't mean the item you deposited is valid. It can be weeks before a check or money order is discovered to be a counterfeit and returned to your bank unpaid.

Why Didn't the Bank Know the Check Was Bad?

Bank employees may not be able to determine whether an item is invalid. Their job is to process your financial document.

If you believe you've been victimized by a fraudster, contact your nearest Postal Inspection Service office by calling 877-876-2455. To learn more about common consumer scams, visit the following Web sites:

- *http://postalinspectors.uspis.gov*
- *www.iafci.org*
- *www.lookstoogoodtobetrue.com*
- *www.ic3.gov*
- *www.ftc.gov*

To view or print a copy of this notice, visit the Web site of the U.S. Postal Inspection Service or the International Association of Financial Crimes Investigators (IAFCI) listed above. To order printed copies, call your nearest Postal Inspection Service office at 1-877-876-2455 (option 5).

Notice 174
July 2008
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