Dec 26, 2019

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Florida Attorney General's Office News Release

CA: Gift Card Resale Scams Peak After Christmas



TALLAHASSEE, Fla.—Attorney General Ashley Moody today issued a Consumer Alert to warn shoppers about common gift card scams that increase after the holidays. January is peak season for gift card resale scams as shoppers look to sell or exchange unwanted cards received as presents. According to the National Retail Federation, shoppers were expected to purchase more than $27 billion worth of gift cards this holiday season. Now is prime time to resell or exchange those cards and scammers are looking for a piece of the action.

Attorney General Ashley Moody said, “Gift cards are a popular present during the holidays. They are also the target of scammers crafting lawless schemes to drain the balance or exchange a used card for your unwanted one. Shoppers should be wary and take steps to avoid falling victim to gift card scams this holiday season.”

A common gift card scam occurs when shoppers try to sell or exchange a gift card online. A scammer, claiming to be interested in buying the card, will ask the seller to place a three-way phone call with the retailer to confirm the remaining balance. While the seller is entering the card number and Personal Identification Number, the scammer will record the sounds made when entering the account information. Using advanced software, the scammer can decode the recording to access and drain the remaining balance on the card.

Simpler scams involve fake gift card exchange websites. These sites prompt users to enter gift card information in order to confirm the balance. Once the information is captured, a scammer will either sell the card information at a discount or drain the balance immediately.

Attorney General Moody is asking that shoppers follow a few simple steps to avoid falling victim

to gift card scams, such as:

- Using a gift card promptly to reduce the likelihood that a scammer will hack the account;
- Never giving out card information or PIN numbers unless making a purchase directly with the retailer;
- Finding reputable gift card exchange sites to trade a card for a more desirable one; and
- Ensuring an exchange site offers balance verification to avoid trading a fully loaded card for one with a zero balance.

When purchasing a gift card in a store, check the back to ensure the PIN number is not revealed or compromised in any manner. Scammers will often record information from unsold cards and regularly check the balance to see if it has been purchased. Once the card is activated, the scammer will then drain the account.

These are just a few tips to help better protect shoppers from common gift card scams. Anyone who encounters one of these scams should report the fraud to the retailer and contact the Attorney General's office at 1(866) 9NO-SCAM or visit MyFloridaLegal.com.