



News Release

UNITED STATES POSTAL INSPECTION SERVICE

Postal Inspectors Advise Caution Before Giving: Make Sure Your Money Supports Legitimate Charities

Giving to charity helps others, leaves you feeling good about yourself and can even mean a tax deduction. Most charities are legitimate organizations that support good causes. Some, however, are run by swindlers. With more than 700,000 federally recognized charities soliciting for charitable contributions, it pays to be cautious when making a donation.

Disasters and crises bring out the best in people who truly desire to help those impacted by these situations. Unfortunately, disasters also bring out the worst; those who use the circumstances to prey on victims. Postal Inspectors saw numerous charity scams emerge in the days following the September 11 terrorist attacks and the 2004 Southeast Asia earthquake and tsunami.

The Hurricane Katrina disaster that hit the Gulf Coast offers a new opportunity for charity scammers. If you're considering a contribution to help with relief efforts, it's important to know where your donation dollars will go. Most states require charities to be registered or licensed by the state. Your state Attorney General's office lists state charity regulators at the National Association of State Charity Officials Web site at www.nasconet.org.

Postal Inspectors vigorously investigate fraudsters who deceive contributors. Scam artists who misrepresent charities via the U.S. Mail, e-mail, or telephone may be prosecuted under the mail fraud statute -- which carries substantial fines, along with prison terms of up to 20 years.

U.S. Postal Inspectors offer these additional precautions:

- Avoid cash gifts. For security and tax purposes, it's best to pay by check or credit card.
- Ask for ID. For-profit fundraisers must disclose the name of the charity requesting the donation -- it's the law. Many states require paid fundraisers to identify themselves as such and to name the charity for which they're soliciting. If the solicitor refuses to tell you, hang up and report it to law enforcement officials. Also ask how much of your donation goes to those in need and how much goes to the fund raiser.
- Refuse high pressure appeals. Legitimate fundraisers won't push you to give on the spot.
- Discuss the donation with a trusted family member or friend before sending the funds.
- Be skeptical if someone thanks you for a pledge you don't remember making. If you have any doubts about whether you've made a pledge or previously contributed, check your records.

If you believe you've been scammed by a fake charity, contact your local Postal Inspection Service office at www.usps.com/postalinspectors or the Federal Trade Commission at www.ftc.gov.