

Steer Clear of Holiday Charity Scams

The holiday season usually brings with it requests for charitable contributions. After all, we think of it as the season of giving. A spokesman for the Association for Fundraising Professionals claims that fundraising in November and December helps many charitable organizations make their budget for the year. There's practically no end to the number of charities that are worth supporting, but there's no shortage of scams either. The Legal Hotline receives calls from seniors who have been scammed under the guise of contributing to a charity. To ensure that your money goes to a deserving organization, it's wise to follow these do's and don'ts listed by the Federal Trade Commission:

- 1. Do ask how much of your donation goes to the cause.** If you are asked to support a charity by buying items such as greeting cards or magazine subscriptions, try to find out what percentage of your purchase will be used to support the charity's cause. Fundraisers can retain any amount of solicited funds so long as they abide by the contract with the charity. The U.S. Supreme Court has ruled that states cannot regulate the amount fundraisers receive; however, the Court also ruled

that charities cannot mislead you about that amount.

2. **Do contact the Better Business Bureau's Wise Giving Alliance** at www.give.org to make sure the organization is authorized to solicit money. The phone number for the Better Business Bureau for Cheboygan County is (800) 684-3222. You can also contact the Michigan Attorney General's Office, Charitable Trust Section, at (517) 373-1152. The Attorney General's office regulates and collects information on over Michigan 4,000 charities, and the information can be used by you to make wise choices in your giving. Charities are required to make their financial records public, and these records are available for inspection.
3. **Do request a receipt** stating the amount of the contribution and verifying that it is tax deductible.
4. **Don't give cash.** Writing a check to the organization is a good way to make sure that your money ends up in the right hands. It also ensures that you'll have the documentation you need to claim the deduction on your taxes.
5. **Don't give phone or email solicitors personal information.** Providing your Social Security, credit card or bank account number over the phone or via the internet can put you at risk of identity theft.

6. **Don't succumb to pressure tactics.** If the person requesting a donation uses intimidation or threats to elicit a contribution, contact the Better Business Bureau, the Michigan Attorney General or your local prosecuting attorney. Some charities, including public safety organizations, employ paid fundraisers to solicit funds through telemarketing calls. These fundraisers are in the business for profit and may even take a higher percentage of your donation than they reveal over the phone. To avoid telemarketing trickery:

1. Get the exact name of the charity and the fundraiser calling for it.
2. Ask if the caller is being paid by a fundraising company and how much they are being paid.
3. Ask if the fundraiser and charity are licensed with the Attorney General (most are required to be). Call the Charitable Trust Section to verify the answer.
4. Find out where and how your donation will be used, and what percentage of donations goes directly to carry out the charitable purpose described by the solicitor.
5. Ask if the contribution will be tax deductible.

How can you recognize “bogus” charities? Here are some warning signs:

- Bills or invoices are sent to you even though you have never pledged money to the organization or had contact with them.
- You receive vague, evasive or unresponsive answers to your specific questions about the charity and how money is used.
- The name of the charity is slightly different, but similar to a more well-known charity.
- You are given inadequate time to reconsider your pledge and the solicitor insists on collecting your donation immediately and seems in a rush.
- The solicitor uses emotional appeals and high-pressure tactics to get you to make a quick decision or feel guilty about not contributing.

DON'T LET A FEW BAD APPLES SOUR YOU ON GIVING.

There are numerous groups and organizations committed to helping solve society's problems and filling community needs unmet by the government. Often they are scrambling for funding and need your help. In fact, the Legal Hotline for Michigan Seniors is just such an organization. Contributions to the Hotline are tax deductible, greatly appreciated, and help us to continue to ease the legal worries of Michigan's seniors. You can find out information about making a donation by calling (800) 347-5297. Thanks

very much and have a safe and meaningful holiday season.