



# Consumer Alert

## Sweepstakes Scams are Swindling Seniors

Sweepstakes scams are on the up-swing and are targeting older citizens. Several seniors are calling the District Attorney's Consumer Line to report they have either received a call, or have been duped in sweepstakes scams claiming to be through Lloyds of London, or a company called Make a Million. A Mexican lottery scam is also circulating. In both of these types of scams, victims are pressured into paying "taxes", "insurance" and other false fees up front before they can receive their extraordinary "prize" of either several millions of dollars, or a very expensive car. The huckster instructs the victim to either send payment through a wire transfer service, or to load the money on a Green Dot card and give the information on the card to the caller. (Green Dot cards operate similarly to gift cards in that money is loaded onto the card at the point of purchase, usually a retail store). The hucksters behind these scams are very high-ranking, i.e., claim to be from the "U.S. Department of Consumer Affairs", or the "president" of the sweepstakes company. Victims report that once they receive the initial call, a series of calls follow by the same person or others who spin convincing tales to reinforce the belief that the victim has really won. Older victims of these scams are reporting the loss of thousands of dollars as a result of these persuasion tactics.

### Facts about sweepstakes and lotteries:

- ❖ In Colorado, it is against the law to charge any fee on any legitimate sweepstakes prize.
- ❖ All foreign lotteries are illegal in the United States.
- ❖ Taxes on such winnings are **never** paid in advance.
- ❖ In valid sweepstakes contests, you have to **enter** the contest first, in order to win. The same holds true for lottery contests. If you haven't purchased a lottery ticket, you **can't** win.
- ❖ **Research shows that the longer you stay on the phone with a huckster, the greater your risk of falling for a scam!**

There is no possible way to verify the legitimacy of a sweepstakes contest that is pitched over the phone. The safest bet is to refrain from entering ANY sweepstakes contests. Avoiding contests will eliminate your name and phone number from getting on mailing lists that eventually end up in the hands of hucksters.

**DA – 18<sup>th</sup> Consumer Protection Line: 720-874-8547**