

Congratulations! You have won the Lottery! – Or Did You?

Lotteries and sweepstakes are an enticing pastime for many. Unfortunately, unscrupulous scammers play on this attraction, especially among seniors, and take advantage of our desire to win to ruin the dream and take our money. There are a variety of ways they do this.

Types of Scams

- “You have already won!” - You receive notification of a big prize. The small print, often on the back, however, reveals that you are only offered the “opportunity” to win the prizes. You are asked to just fill out a form and send it back with a small registration fee. Once hooked, the crooks demand more and more money to stay eligible, and the “prize” never arrives. Always read all such letters carefully.
- Phony Collection Letter - A consumer, who has participated in a lottery offer, is sent a demand letter from a collection agency. They claim the victim agreed to purchase lottery tickets, often in a foreign country, and owes the money. Seniors are especially targeted for this. If you receive one of these, do not pay, but contact the collection agency, ask them to prove the debt. Always keep copies of all communications.
- Unauthorized Charges - Crooks claim you have won some money, and ask for bank credit card information or a voided check so they can deposit your winnings. Once they have the information, they raid the accounts. Never provide bank or credit card information to a person or business you do not know.
- Winning Numbers Service - These offer a subscription to a service that uses sophisticated computers, mathematicians, or even psychics to provide winning numbers. For a small fee they will send you the numbers. All you get are randomly selected numbers, and, what is worse is that your name is sold to other crooks as an easy mark interested in lotteries. Never respond to these offers.
- Advances on Winnings - You have won a big prize and actually receive a check for part of it. All you have to do is deposit the check in your bank, wire payment for taxes, bonding, administration fees, etc. back to the lottery agency, and you will receive the full prize. Unfortunately the check is a sophisticated fraud, and it takes your bank 2-3 weeks to discover this. By then, your money is gone, often to a foreign country, and your bank reverses the deposit of the fraudulent check. No reputable agency will ask you for money. If taxes, fees, etc., are owed, they will be deducted from the winnings before it is sent to you.
- Lottery Clubs You receive an offer to join a lottery club to pool your money with many others. Just send you wagers, plus a small fee to the agency, again often overseas. The pooling doesn't really do anything to increase your odds, and often the tickets are not actually bought or if they are, you will never be able to collect.

Always be on your guard if you respond to any of lottery solicitation. Read everything carefully and do not send money, or provide credit card or bank information to anyone you do not know. Even if you just innocently respond to an offer, you identify yourself as a potential victim, and the only guarantee is that you will end up on more “sucker” lists. Remember, con artists lie. They are cruel enough to establish false hopes that you have won, or easily can win, something so that they can steal your money. If you think someone may be trying one of these frauds on you notify your local police force.

*Written By: Chuck Joseph- Racine TRIAD
Racine Journal Times October 2006*