



Consumer Corner

by Illinois Attorney General LISA MADIGAN



Counterfeit Check Scams: Resisting the Lure of “Free Money”

Consumers can receive counterfeit checks under a wide variety of pretenses. Often, con artists will tell you that you’ve won an international lottery or sweepstakes you never entered and must wire a specified amount of money to receive your winnings. While the prospect of an unexpected windfall may sound tempting, these checks are never what they seem to be and often end up costing unsuspecting consumers a great deal of money.

Q. I recently received a check for several thousand dollars in the mail along with a letter informing me that I had won a Canadian lottery. When I called the number as instructed to find out what to do, the person on the other end told me to deposit the check in my bank account, wire him \$1,000 to cover the taxes on my winnings, and keep the rest. Even though the check looks real, I’m debating whether to deposit it and wire the money. My wife says I don’t have to worry about being scammed, because a bank wouldn’t accept the check if it were fake. What should I do?

A. Do not attempt to deposit the check. This has all the hallmarks of a common counterfeit check scam. Each year my office receives complaints from consumers who have lost thousands of dollars in schemes similar to the one you describe.

Furthermore, do not assume a check is authentic just because your bank accepts the deposit and makes the funds available to you. Some banks are on the look-out for this scam; others are not. In any event, the final responsibility for counterfeit checks falls on the depositor.

In other words, if you were to deposit the counterfeit check and wire the money as directed, you would be liable to your bank for the \$1,000 you sent to the con artist, as well as for any additional money you might have spent from the check.

Here are some basic tips to avoid falling victim to a counterfeit check scam:

- If something sounds too good to be true, it probably is. Businesses rarely send you checks you were not expecting. You can’t win a lottery if you did not buy lottery tickets, and you can’t win a sweepstakes that you didn’t enter.
- Do not deposit any check if you do not know why you received it or where it came from.
- There is no safe way to deposit or cash a counterfeit check. Depositing the check and waiting to spend the money will not necessarily protect you from being scammed. My office has heard reports of consumers who waited up to two weeks before spending the proceeds from a suspicious check, only to find out later that the check was a fake.

If you receive a suspicious check in the mail, you can contact my office’s **Consumer Fraud Hotline (800-386-5438; TTY: 800-964-3013)** or **Senior Fraud Helpline (800-243-5377; TTY: 800-964-3013)**. Also, you can give the check, envelope, and accompanying letter to your local postal authority for further investigation.