

WHAT YOU NEED TO KNOW ABOUT Charitable Donation Scams



MINISTRY OF **CONSUMER SERVICES**
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Ontario's **Ministry of Consumer Services** works to educate, empower and protect consumers so they can be confident and informed when buying goods and services in this province.

What Are Charitable Donation Scams?

Many of us give to charities to help those less fortunate than ourselves. But not all fundraisers are honest. Some only pretend to raise money for charity, then keep the donations for themselves.

How Do They Work?

Phony fundraisers can contact you through mail, e-mail, telephone, or by knocking on your door. They claim to represent a charitable organization that helps people in need or is involved in a social issue, such as protecting the environment. They ask you for money. If you hesitate, they may try to pressure you. They may say the problem is desperate. They may say you need

to act immediately. But beware. If you give them money, it often goes right into their own pockets.

Once you make your donation, there is usually nothing you can do to get your money back. And real charities are cheated out of the money you would have given them.

How Can I Protect Myself?

Remember: It's your money. You have the right to ask questions and think carefully before making a donation.

- Ask questions. Ask how much of your gift will be used directly for the charitable work. Ask how much will go toward administrative costs. Genuine charities will be happy to answer your questions.
- If you receive a telephone call or someone comes to the door, ask for the information to be sent to you in the mail before you donate.
- Never give out personal or financial information over the phone or at the door.

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- Beware of anyone who presses you to contribute immediately. Real charities don't use high-pressure tactics.
- Phony fundraisers use copycat names to imitate real charities. Check names in your phone book or online.
- Never give cash. Make cheques payable to the charity's full name.
- Ask for a tax receipt and charitable registration number.
- To find out if a charity is registered for tax purposes, call the Canada Revenue Agency, Charities Directorate at 1-800-267-2384 or visit the CRA website at www.cra.gc.ca.
- Beware of anyone who thanks you for a pledge you don't remember. This is a common trick used by swindlers.
- Be cautious if you are asked for spare change or donations from individuals sitting at a table located in a public place, such as a mall. Ask questions about how your contribution will be used, what the organization's registered charity number is and for identification so that you can be sure the staff at the table work for the charity they represent.
- If you suspect that a charity is a scam, contact the Canadian Anti-Fraud Call Centre (PhoneBusters) at 1-888-495-8501 and your local police.

Plan Your Giving

- Decide how much you can afford to give. Set a charity budget and stick to it.
- Spread out your giving over the year.
- Consider those charities that mean the most to you. There are many legitimate organizations that need your support, whether it is to help children, fund medical research or pursue other good causes.
- Send your cheques directly to your favourite charity's head office, and feel good about giving. When approached by another charity, you can say that you have already given and leave it at that. Perhaps you will consider their appeal next year when you decide on the charities you can afford to give to.

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Call us:

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416-326-8800

Toll-free at

1-800-889-9768

TTY (for those who are hard of hearing)

Greater Toronto Area

416-229-6086

TTY toll-free

1-877-666-6545

Email us:

consumer@ontario.ca