Know Your Consumer Rights

In recognition of National Consumer Protection Week (March 6-12, 2016), the Ohio Attorney General’s Office wants to remind you about some of your rights as a consumer.

In Ohio, consumer transactions are primarily regulated by the state’s main consumer protection law, the Consumer Sales Practices Act (CSPA). Whether you are buying a cup of coffee or buying a used car, the CSPA generally protects you from unfair, deceptive, and unconscionable acts and practices in consumer transactions. It prohibits shoddy work, deceptive advertising, and misrepresented products or services.

While the CSPA contains many consumer protections, other Ohio laws give consumers limited cancellation rights when it comes to specific products. For example:

- The Home Solicitation Sales Act gives consumers three days to cancel sales of $25 or more made in their homes or at a location that is not the company's regular place of business, such as at a bridal fair or a home improvement show.
- The Prepaid Entertainment Contracts Act gives consumers three days to cancel a contract with most health spas (but not tanning salons), dance studios, diet centers, dating agencies, and martial art schools.
- The Hearing Aid Returns Act provides consumers 30 days to return a hearing aid for any reason.
- The Telephone Solicitation Sales Act, which applies to sales initiated over the phone, generally allows consumers to cancel within seven days of the sale or until the consumer signs a written agreement, depending on the type of transaction.

To review more of Ohio’s consumer protection laws, visit the Ohio Attorney General’s Office website or contact the Ohio Attorney General’s Consumer Protection Section.

In 2015, the Attorney General’s Consumer Protection Section initiated 40 lawsuits for various unfair, deceptive, or unconscionable business practices. The section obtained 59 judgments and Assurances of Voluntary Compliance totaling more than $12.4 million in consumer restitution, civil penalties, costs, and other relief.

In addition, the office’s Consumer Protection Section can give presentations to groups of 20 or more people across the state on various consumer issues. Presentations are generally scheduled during business hours (9 a.m. – 5 p.m.).

To schedule a “Know Your Rights” presentation or to report a scam or unfair business practice, contact the Ohio Attorney General’s Office by visiting www.OhioAttorneyGeneral.gov or call 800-282-0515.
A Taxing Problem: Tax Identity Theft

When most people think of identity theft, they likely think of opening fraudulent accounts, making unauthorized credit card charges, or taking money out of a bank account without permission. They may not think of a large nationwide problem – tax identity theft. However, according to the Federal Trade Commission, tax-related identity theft is the most common type of identity theft reported throughout the nation.

Tax identity theft occurs when scammers file fraudulent tax returns using someone else’s Social Security number in order to keep the refund, meaning the true filer cannot access the refund. The Government Accountability Office estimates that in 2013, the Internal Revenue Service (IRS) paid out $5.2 billion in fraudulent identity theft refunds. Last year, nearly 45 percent of the complaints filed with the Ohio Attorney General’s Identity Theft Unit related to tax identity theft.

To combat this issue, last year, the Ohio Department of Taxation began issuing “Identity Confirmation Quizzes.” These quizzes were designed to help confirm the identity of the person filing taxes by asking questions that only the filer would know. This tax season, the Department of Taxation plans to utilize the quizzes again to cut down on the number of fraudulent returns. Letters will be mailed to taxpayers who are subject to the quiz, but filers can take the quiz online. If you receive a letter asking you to take the quiz and you have not yet filed your taxes, contact the Department of Taxation immediately to report the return as suspicious.

The best way to combat tax identity theft is to file your taxes early. The sooner you file, the less likely it is that someone can file on your behalf. Also, if you choose to use a tax preparer, make sure that the tax preparer has the credentials that you’re looking for by visiting the IRS’s Directory of Federal Tax Return Preparers or by confirming a Certified Public Accountant’s credentials.

In addition to stealing identities, con artists are also trying to bilk consumers out of money by posing as IRS agents or representatives of the U.S. Treasury. The scam generally occurs when a fraudster contacts a consumer, claiming to be an IRS agent, stating that the consumer owes the IRS money and will be sued or immediately arrested unless the consumer provides payment. In reality, any money sent will go to the scammer, not the IRS. The con artist might also ask for personal information, such as a Social Security number, which can then be used to commit identity theft. To protect yourself, never provide payment directly over the phone to someone who claims to be from the IRS.

If you believe you’ve been the victim of tax identity theft, you should submit the appropriate tax affidavit for your state or federal taxes. If you have any other issue related to identity theft or scams, report it to the Ohio Attorney General’s Office by calling 800-282-0515 or visiting www.OhioAttorneyGeneral.gov.

Hung up with Unwanted Telephone Calls? Read on...

Placing a landline or cell phone number on the National Do Not Call Registry can help reduce telemarketing calls, but it may not stop all unwanted calls. Here are some reasons why.

If you’ve signed up for the registry and still are getting unwanted calls, some of these calls may be from companies or organizations whose calls are exempt from the National Do Not Call Registry, including
political, charitable, debt collection, and survey phone calls. In addition, companies with which you have an existing business relationship or that have your permission to call still may cause your phone to ring.

If you want to help limit these calls, ask the caller to put your number on the organization’s internal do-not-call list. Most legitimate organizations will have their own list.

If you receive an unwanted robocall, do not push any buttons – even to “talk to a representative” or “opt-out” – because that may only confirm to the caller that your phone number is valid and working. As a result, instead of getting fewer phone calls, you may actually receive even more.

If you receive multiple calls from the same telephone number, you may want to call your phone provider for details about any available call-blocking features. In addition, third-party services may help stop robocalls. For example, nomorobo.com is a service that won the Federal Trade Commission’s 2013 Robocall Challenge to deter robocalls.

Another category of calls that may get through are those calls made by scam artists. The scammers aren’t willing to comply with the do-not-call law, or any other consumer protection laws for that matter. Don’t respond to these calls. You can report those calls as well as any sales calls that you believe violate the do-not-call law, either through the Ohio Attorney General’s Office or through the Federal Trade Commission at www.donotcall.gov, or 888-382-1222.

In addition, consider sharing less personal information, such as your name or phone number, when you’re shopping or asked to sign up for a sweepstakes. Some companies may compile and sell your personal information to firms that may use this information to solicit you through the mail, email, or telephone. In some cases, your information may also end up in the hands of scammers. If a company requests such information, ask why the company needs it and how the company will protect it.

If you need more information about signing up for the National Do Not Call Registry, visit www.donotcall.gov or call 888-382-1222 from the phone you wish to add to the nationwide list.

To report a scam, unfair business practice, or businesses not complying with the Do Not Call Registry contact the Ohio Attorney General’s Office by visiting www.OhioAttorneyGeneral.gov or call 800-282-0515.

**AG Settlement with MoneyGram Includes Money for Scam Victims**

In early February, Ohio Attorney General Mike DeWine announced that Ohio was part of a $13 million settlement with MoneyGram Payment Systems Inc. over concerns that consumers used MoneyGram to make payments that were induced by fraud.

The settlement, which includes Ohio, 48 other states, and the District of Columbia, requires MoneyGram to establish and maintain anti-fraud procedures and to pay a total of $13 million, of which up to $9 million will be used to reimburse consumers.

“We know that wire transfers – while a legitimate form of payment – have often been used by con artists in scams,” Attorney General DeWine said. “In this settlement, MoneyGram has agreed to pay millions of dollars to reimburse consumers and take steps to stop fraud before it occurs.”
Under the settlement, MoneyGram has agreed to maintain and continue to improve a comprehensive and robust anti-fraud program designed to help detect and prevent consumers from suffering financial losses as a result of these types of fraud-induced wire transfers.

Of the $13 million MoneyGram has agreed to pay, most will be allocated to fund a nationwide consumer restitution program. According to the settlement terms, an independent third-party settlement administrator will review MoneyGram records and send notices regarding restitution to all consumers who are eligible to receive restitution under this settlement.

Generally, consumers who are eligible for restitution previously filed complaints with MoneyGram between July 1, 2008, and Aug. 31, 2009, regarding fraud-induced transfers sent from the U.S. to foreign countries other than Canada. More information about this settlement is available at the settlement administrator’s website: www.MoneyGramSettlement.com.

Wire transfers are a preferred payment method of scammers because payment can be sent quickly, and the money is hard to trace. Once the scammer has the money, it is nearly impossible for the consumer to get back.

Scammers use various ploys to encourage consumers to send money via wire transfer. For example, they often claim money is needed to:

- Help a grandchild, other family member, or friend who is in jail;
- Collect lottery or sweepstakes winnings;
- Help someone you’ve not yet met in person such as a deployed service member or new love interest;
- Pay a government agency to cover a debt; or
- Reimburse someone who said that he or she overpaid you.

If you suspect a scam or unfair business practice, report it to the Ohio Attorney General’s Office by calling 800-282-0515 or visiting www.OhioAttorneyGeneral.gov.