Charity scams

’Tis the season for giving. Now that all those presents are wrapped and under the tree, you may be looking to continue that giving streak by helping out some deserving charities with your end-of-year dollars.

Traditionally, the last three months of the year result in 34 percent of the money donated to charities during the year. So you aren’t alone as you get out that checkbook. There is an additional reason to donate; it can decrease your tax liability. Now is the time to make those final financial gifts that can be itemized in your tax return come April 15.

Eighty-eight percent of American households donated to charities during 2011, with the median household donation of $830. We are a giving nation. Donations from individuals at $218 billion far outpaced the donations from corporations at a paltry $42 billion.

This time of year, lots of legitimate charities are asking for your help. But it is also a time that lots of scam artists are trolling for dollars as well.

Watch for those unsolicited donation letters by mail or email. Scammers are experts at camouflaging their emails so you believe it comes from a legitimate charity. They are experts at creating letterheads or websites that look like the real thing.

Don’t rely on the links or websites given by whoever called you or sent you an email. Verify contact information by using a search browser to find the charity. Call the number listed on the website. Scammers will say they are from the American Cancer Society and set up a bogus Web page. You end up donating your money to a scammer.
Check the name of the charity carefully. Sometimes the solicitation comes from the American Veterans of Wars, which is very similar to Veterans of Foreign Wars. We are all familiar with the VFW and associate the two groups together. The VFW is legitimate, but the AVW may not be.

Ask questions. No legitimate charity minds answering questions on its goals and aims. Look up the charity online. Those charities that are legitimate are listed with the IRS. Ask to see their Form 990. This is an annual reporting return that certain federally tax-exempt organizations must file with the IRS. If the organization isn’t registered as a nonprofit with the IRS, you can’t claim the donation as a deduction on your tax return.

I always advise people to donate locally. Find those organizations in your hometown that need your help and put your money there. The Fairbanks Food Bank, Salvation Army, Love INC, the Literacy Council, and a hundred other charities in town will all welcome your money this time of year. The advantage of donating locally is that you can see your money make a difference here in Fairbanks.

In addition, don’t forget that one of the best ways you can help is to bring in your check and volunteer your time for a few hours. Put your labor and your money to work for a charity.

Though we all know that it is the season to be charitable, it is also the season to be swindled. Don’t fall into the trap and send your money to a con artist.

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