

## Purchasing a gift card? Read this first!

Written by BBB

Thursday, 20 December 2012 10:02

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Gift cards make excellent presents, especially during the holidays when you're unsure of what to buy for a family member or friend. But like everything else, gift cards may have hidden fees and strings attached. The BBB reminds consumers it's important to read the fine print before making your purchase and presenting gift cards to co-workers, friends or loved ones.

In recent years, both the United States and Canada have made changes in federal laws to improve consumers' chances of getting full value out of the cards they buy and give. These rules generally apply to gift certificates, store gift cards and general use prepaid cards, which are often branded by payment networks such as Visa or MasterCard.

Despite some historical issues with gift cards – such as cards getting lost or people receiving cards which have had their value siphoned off by scammers – sales of gift cards are still expected to increase this year. According to a survey by *Consumer Reports*, 62 percent of consumers are planning to buy gift cards this holiday season.

Here are some helpful tips from BBB regarding gift card purchases:

**Buy from sources you know and trust.** Avoid buying gift cards from online auction sites, because the cards may be counterfeit or may have been obtained fraudulently.

**Read the fine print before you buy.** Is there a fee to buy the card? If you buy a card by phone or online, are there shipping and handling fees? If you don't like the terms and conditions, buy elsewhere.

**See whether any fees will be deducted** from the card after you purchase it.

**Inspect the card before you buy it.** Verify that none of the protective stickers have been removed. Make sure that the codes on the back of the card haven't been scratched off to reveal a PIN number. Report any damaged cards to the store selling the cards.

**Give the recipient your original receipt** so they can verify the card's purchase in case it is lost or stolen.

**Consider the financial condition** of the retailer or restaurant.

Know the rules: Visit . [ftc.gov/bcp/edu/pubs/consumer/alerts/alt010.pdf](http://ftc.gov/bcp/edu/pubs/consumer/alerts/alt010.pdf) for more information on gift cards.

For more holiday tips that you can trust, visit [www.bbb.org/us/Consumer-Tips/](http://www.bbb.org/us/Consumer-Tips/) .

The mission of the Better Business Bureau is to be the leader in building marketplace trust by promoting, through self-regulation, the highest standards of business ethics and conduct, and to instill confidence in responsible businesses through programs of education and action that inform, assist and protect the general public. Our hours of operation are 8 a.m. to 5 p.m. Monday through Friday. Contact the BBB at [bbb.org](http://bbb.org) or 651-699-1111, toll-free at 1-800-646-6222. Visit our Centennial website at

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