

Ohio Attorney General's
Consumer Advocate Newsletter
Keeping Consumers Safe and Informed



August 2021



Consumer Protection Tips for Sales Tax Holiday, Back-to-School Shopping

As consumers prepare for Ohio's sales tax holiday and the upcoming school year, Ohio Attorney General Dave Yost is offering consumer protection tips for back-to-school shopping.

Ohio offers a sales tax holiday each year before the beginning of the traditional school year. In 2021, that holiday is set for Friday, Aug. 6, through Sunday, Aug. 8. When shopping, make sure you understand which items are eligible for exemption from sales tax. Also, be sure to exercise good shopping practices, such as keeping your receipts and knowing the return policies for the stores where you shop.

The Ohio Department of Taxation provides detailed information about the sales tax holiday on its website [here](#). For example, the following items are exempt from sales and use tax:

- Clothing priced at \$75 per item or less
- School supplies priced at \$20 per item or less
- School instructional materials priced at \$20 per item or less

Smart shopping tips for consumers include:

- **Plan ahead:** The sales tax holiday runs Aug. 6-8, 2021. Consider in advance the kind of purchases you want to make and review the Department of Taxation's FAQs [here](#) to

understand what is and what is not exempt from sales and use tax. Also, research sellers' reputations by reading customer reviews and checking for complaints on file with the Ohio Attorney General's Office and Better Business Bureau.

- **Understand return policies before you buy:** In Ohio, sellers can choose to set their own return policies, including policies of "no returns," but they must clearly tell you what their policy is before you check out or complete the transaction. For example, the return policy shouldn't be posted only on the back of a receipt.
- **Stay safe online:** The tax holiday applies to qualifying online purchases in addition to qualifying in-store purchases. When shopping online, research websites you plan to use and make sure your connection is secure before entering any personal information or payment details. (In the web address, look for the "s" in "https" or a lock symbol.) Also, consider paying with a credit card, which generally gives you stronger protections to dispute unauthorized charges.
- **Check the exclusions and limitations of an offer:** Exclusions and limitations must be clearly disclosed in advertisements, including those online, so review terms and conditions carefully before you go to the store or make a purchase.
- **Keep your receipts:** Maintaining a complete record of a sale will help you handle problems that may arise after a purchase. Keep receipts, copies of advertisements, photos of products and other documentation until the transaction and billing process are complete.
- **Monitor your accounts:** Regularly check your credit card and bank accounts for unauthorized charges or unexpected activity. If you find problems, immediately notify your credit card provider or bank. The sooner you identify a problem, the sooner you can work to correct it.
- **Protect your personal information:** Don't carry around extra, unneeded credit cards, debit cards or other sensitive information in your wallet or purse. Also, limit giving out your personal information. Check privacy policies to see how sellers will use your information.

Consumers who need help addressing a consumer problem or question should contact the Ohio Attorney General's Office at www.OhioProtects.org or 800-282-0515.

Beware of Cryptocurrency Scams

If you are considering investing in cryptocurrency, make sure you understand how it works and keep up on emerging cryptocurrency scams. Cryptocurrency is a form of payment that can be exchanged online for goods and services. Common types of cryptocurrency are Bitcoin, Ethereum, Dogecoin, Tether and Polkadot. Cryptocurrencies work using a technology called blockchain, which is a technology spread across many computers that manages and records transactions.

You can buy cryptocurrency through an online exchange platform. Some people earn cryptocurrency through a complex process called "mining," which requires advanced computer equipment to solve highly complicated math puzzles. Due to their nature, cryptocurrencies are not regulated, which carries risk of market volatility and loss for investors.

A few things to consider before investing in cryptocurrency:

- Cryptocurrency is not regulated by any state or federal government agency.
- Digital currency is highly volatile, making it unsuitable for retirement funds or investors looking for long-term savings. Price fluctuations from one day to the next can be enormous.
- Researching cryptocurrency online is a good idea. Scammers are using techniques to target investors. A few of the techniques scammers use online include referral chains, giveaways and romance scams.

Referral scams: Referral scams work in a similar way to pyramid schemes. This scam depends on recruiting investors in several investment tiers. The idea being, the more you invest and get others to invest, the greater your return. The scam portion comes when investors attempt to withdraw their supposed profits: They are told to invest more cryptocurrency and get nothing back.

Giveaway scams: Giveaway scams falsely proclaim to be sponsored by celebrities and tell potential victims they are guaranteed to immediately multiply the amount of cryptocurrency they are asked to send. Typically, victims don't get any jackpot, award or any other giveaway; they have been duped and lose the value of whatever crypto they sent.

Romance scams: Scammers are using online dating sites to recruit new investors in cryptocurrency scam investments under the ploy of a legitimate romance. Always be suspicious if someone you have only met online is encouraging you to invest in a certain product or send them money, especially if the request is by cryptocurrency.

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Don't Get Scammed When Moving to a New Home

Buyers and sellers and renters, oh my!

Are you planning on moving? While you are packing and planning, beware of scams when choosing a moving service. Some con artists pretend to be movers, even giving quotes and accepting deposits, but never show up for the job.

Other scammers may quote a price based on the weight or volume of what is being moved, but when it comes time for the move it's a different story. After the items are loaded, the company informs you that the belongings weigh more than the estimate or take up more cubic feet. The scammer then says the load will cost significantly more to move.

A third variation of a moving scam occurs when everything seems to be smooth sailing but your items don't show up at your new home. The belongings are either lost forever or held hostage until you pay an additional fee.

Before hiring a mover, consumers should research companies through the Ohio Attorney General's Office, Public Utilities Commission of Ohio (PUCO) and the Better Business Bureau (BBB). Be sure to find out how long the moving company has been in business, look for reviews from previous customers and ask for proof that the company is licensed and insured. Do an internet search for the company's name and words like "scam" and "complaint" to discover more about the company's reputation and customers' grievances.

The PUCO has important information about [consumers' rights](#) when hiring movers. For consumers moving across state lines, [the Federal Motor Carrier Safety Administration](#) regulates interstate moving companies. Also, you may want to check out [the BBB's June 2020 study of moving scams](#), which primarily concentrates on state-to-state moves.

Red flags of a moving scam:

- Watch out if the company doesn't list an address or provide information about its registration or insurance coverage. Beware of companies that do not give a company name when they

answer a phone call or that use rented trucks instead of their own vehicles – those may be signs that the movers are not in business for the long haul.

- Look out for companies that require a large down payment or payment in full before they provide the moving service. Do not pay cash before services are completed.
- Be sure to get a written contract from the moving company and read the terms and conditions and any fine print before committing to the service. Be sure the written contract spells out the dates your goods will be picked up and delivered, as well as how the rate is calculated. Save all documentation in case you need to refer to it or provide it if you have questions or concerns.
- Most movers base their pricing one of two ways: flat-rate or hourly. Some flat-rate quotes may be higher because they may account for the fact the move may take longer than expected. Flat-rate quotes may offer some peace of mind and more certainty. For long-distance moves or larger homes, some experts say a flat-rate may be better for the budget-minded consumer.
- Some movers may quote an estimate based on the weight of your items or cubic feet. According to the BBB, “Rogue operators prefer to give estimates in cubic feet. Volume is easier to manipulate than weight so they can later claim additional charges.”
- Get at least three in-person or virtual estimates as part of your research. Scammers may refuse to meet in-person and give low-balled estimates over the phone.
- Inventory all your items being moved and the number of boxes being transported to your new home. Look for movers that provide full-value protection insurance in case items are lost or damaged. Also, find out what your existing homeowner’s policy will cover.
- Take photos before and after the move in case you have insurance claims involving broken or damaged items.

While housing markets are booming, one of the negative consumer effects of COVID-19 remains: the threat of foreclosure due to some homeowners’ inability to pay their mortgage. Homeowners need to know that help is available. Their mortgage servicer and HUD-approved housing counseling agencies can provide available resources and options. To contact HUD, call 1-800-569-4287 or click [here](#).

Additionally, landlords and renters may be eligible for federal rent assistance. To find your local program, click [here](#).

If you suspect a scam or an unfair business practice, contact the Ohio Attorney General’s Office at www.OhioProtects.org or 800-282-0515.

Learn About Payment Methods Used in Scams; Some Victims Who Paid Through MoneyGram Now Eligible for Refunds

Have you been asked to make a payment by a method other than a credit or debit card? This can be a tipoff that a swindler is attempting to defraud you.

Scammers often choose payment methods that they know will make it virtually impossible for consumers and law enforcement to trace or reverse the charges. Avoid using these types of payment methods when doing business with a stranger to protect yourself from scams:

- Wire or money transfers
- Prepaid money cards
- Gift cards
- “Peer-to-peer” payment systems, such as Venmo or Zelle

More information:

- **Wire or money transfers:** The federal Telemarketing Sales Rule bans telemarketers from requiring payment through a wire or money transfer, which allows the transfer of cash from a consumer in one location to a person or business in another location. Western Union and MoneyGram are examples of companies that provide these “cash-to-cash” services.
- **Gift cards:** Scammers seem to prefer several specific brands of gift cards for payment. At this time, Apple, Walmart, Google Play, Target and eBay seem to be fairly popular with scammers. While consumers can give these and other cards to friends and relatives as a gift, they should be very skeptical if a stranger wants to conduct any business using gift cards.
- **“Peer-to-peer” payment systems:** These services give consumers the ability to transfer funds online or through an app directly from their bank account. Popular services like Venmo and Zelle may work perfectly well when transferring money to a close friend or family member, but watch out if a stranger wants you to use that type of payment method. On its website, Zelle warns consumers to “Only send money to friends, family and others you trust.”
- **Google Pay and other online payment methods:** Some scammers use increasingly common online payment methods such as Google Pay. Because Google Pay is used in many legitimate transactions, it can be difficult to detect a scam simply by knowing that it is the preferred payment method. Google instructs consumers to “Only transfer money with people you know & trust” and cautions that “If someone requests personal financial details or other sensitive info on Google Pay, it’s a scam.” For more information to help avoid scams using Google Pay, click [here](#).

To help maximize your consumer protections, look to using a credit card, especially for online purchases. Credit cards fall under the Fair Credit Billing Act, where your liability cannot exceed \$50. If you report the loss before any unauthorized transactions occur, or if your credit card number is stolen and not the physical card, you are not liable for any unauthorized purchases. Some credit card companies voluntarily waive the \$50 liability and promote that their consumers have zero liability for unauthorized transactions.

While it is typically difficult for consumers to get their money back from a scam due to the payment methods utilized by many con artists, there is an opportunity for potential refunds for scam victims who paid using MoneyGram between 2013 and 2017, as a result of action taken by the Federal Trade Commission (FTC) and the U.S. Department of Justice.

These federal agencies alleged that MoneyGram failed to have a “comprehensive fraud prevention program mandated” by the FTC in an order issued back in 2009. According to the FTC, “That order required MoneyGram to promptly investigate, restrict, suspend, and terminate high-fraud agents.”

If you were a scam victim from 2013 to 2017 and paid by MoneyGram, visit www.moneygramremission.com. If you have questions about this case, the contact phone number is 1-844-269-2630. Some victims received a prefilled form with instructions about how to submit a claim to Gilardi & Co. LLC, the company handling the consumer claims. This legitimate claims process is being overseen by the U.S. Postal Inspection Service. No fees are required and no lawyer is necessary for victims to file their claims. **The deadline for scam victims submitting a claim is Aug. 31, 2021.**

If you suspect a scam or an unfair business practice, contact the Ohio Attorney General’s Office at www.OhioProtects.org or 800-282-0515.

