



## **Don't Get Taken by Work-At-Home Scams**

During these rocky economic times, many people are looking for ways to supplement their incomes. Newspaper and internet advertisements and unsolicited e-mails that offer a way for you to earn thousands of dollars a week can sound tempting but often result in money lost not gained.

One of today's most popular work-at-home offers is to become a "mystery shopper" who rates retail stores or restaurants. While many legitimate companies hire mystery shoppers to test their employee's customer service skills, the cleanliness of their stores or the efficiency of their managers, consumers need to look out for the tell-tale signs of a scam.

The scam often works like this. When the person responds to the solicitation, s/he is sent a check or money order with instructions to use some of the money to make purchases, keep some of the money as a commission and send the rest back to the employer. Other consumers have been sent checks and asked to test the efficiency of a money transfer company by sending some of the money to a specified recipient while keeping the rest as their pay.

Such offers are, in fact, variations of other fake check scams that have been used to steal people's money. The checks and money orders sent to mystery shoppers are phony but look so real that no one, including bank personnel, can tell. The fact that the check is a counterfeit is usually not discovered for several weeks, and meanwhile, consumers have sent their own money to the con artists. If the reversal of the deposit of the phony check results in an overdraft, consumers are, in most instances, responsible for paying the money back to their banks.

Legitimate companies that use mystery shoppers don't operate that way. Many mystery shoppers do not make purchases at all but simply rate specified things about particular stores using a questionnaire supplied by the company. If they are asked to make purchases, it is for small amounts of money that are later reimbursed by the company. Real mystery shoppers are paid after they complete their assignments, not before, and are NEVER asked to send money to their employers. For many mystery shoppers, their assignments merely allow them to try new restaurants or eat out for free. These mystery shoppers don't receive a pay check but instead are reimbursed for the money they spent. In short, mystery shopping is not a full-time job but a fun way to make a little extra money.

Other work-at-home schemes that have been used over the years are also making a comeback. In the past, companies have claimed they would pay people to stuff envelopes, do craft work, or review manuscripts. While those scams still exist, newer work-at-home scams offer people money for doing work using their home computers. For example, scammers have offered people the opportunity work at home preparing bills for medical offices. To get work, the person has to buy special software and training materials and is told that once it's installed and s/he has learned to use it, the company will provide clients. Victims of this scam later learn that there are no clients available. In reality, the medical billing field is dominated by a number of large and well-established firms, and very few medical providers use individuals to process their bills.

### **Tips for Avoiding Work-At-Home Rip-Offs**

- **Don't pay money to a company offering to let you work at home.** The company should pay you for your work, not the other way around. Under Maryland law, a company that advertises a work-at-home opportunity can't make you pay deposits or make any other advance payment for instructional booklets, brochures, kits, programs, mailing lists, directories, memberships in cooperative associations, or any other items or services.
- **Be skeptical of promises of big pay or a steady salary** that are not backed up with substantiation. Remember, if it sounds too good to be true, it usually is!
- **Use common sense.** How likely is it that a company will pay you big money to stuff envelopes when there is high-speed printing and mailing equipment available that does the same thing for next to nothing?
- **Do your homework.** Find out as much as you can about the company from an independent source. Ask the company detailed questions about what you will be doing and who will pay you. Will you be paid on commission? Will you have any expenses? Before entering into any work-at-home agreement, call the Office of Consumer Affairs, the Attorney General's Consumer Protection Division and the Better Business Bureau to see if complaints have been filed against the company you are considering. But remember, con artists often advertise heavily for a few months, steal whatever money they can and then move on before anyone has a chance to file complaints.

If you are considering a work-at-home offer or have been the victim of a scam, contact the Howard County Office of Consumer Affairs at 410-313-6420 or [consumer@howardcountymd.gov](mailto:consumer@howardcountymd.gov) for more information.

**To obtain this factsheet in an alternative format, please contact the Office of Consumer Affairs at 410-313-6420(voice/relay) or email us at [consumer@howardcountymd.gov](mailto:consumer@howardcountymd.gov).**