



Avoid Foreign Lotteries

From the Office of Minnesota Attorney General Keith Ellison

The Minnesota Attorney General warns consumers to be on alert for telephone solicitations, mailings, and email correspondence alleging to be associated with foreign lotteries. Consumers have been targeted by fraudulent operators pretending to represent foreign lotteries in Canada, Australia, Spain, and other countries. Consumers have been bilked out of thousands of dollars in this scam.

How the Scam Works

A consumer typically receives a telephone call, mailing, or email indicating that he/she has won a prize in a foreign lottery or contest. In another version of the scam, the caller may indicate that a foreign government is distributing money to American consumers who may have been harmed by illegal telemarketing activities by Canadian firms. Although there are many versions of this scam in operation, they all bear one common trait: *a request that you send money to receive your prize.*

The fraudulent operator may ask you to send money to cover fees for processing, legal operations, foreign customs, taxes, etc. Additionally, the scam artist may ask you to send a personal check, money order, or wire transfer, or to disclose personal banking information, such as your check routing information or credit card number. The fraudulent operator typically assures consumers that they will receive their prize shortly after the lottery has received their payment.

For example, a consumer may receive a letter claiming he/she is the winner of a Spanish lottery and urging him/her to contact an “official” immediately at a number provided on the mailing. Upon contacting the individual, the consumer is asked to send a processing fee to a foreign address and await their prize. In some cases, the consumer may receive additional correspondence from the scam artist indicating that the payment process has been delayed, but in most cases, the consumer never hears from the fraudulent operator again.

In another version of the scam, a consumer may be contacted by telemarketers claiming that he/she won a lottery drawing in Canada and that the consumer will receive hundreds of thousands or millions of dollars if he/she sends several thousand dollars to cover the taxes on the prize reward. Once the consumer has sent the money, contact with the operators is cut off.

Tips to Avoid Foreign Lotteries

1. Beware of solicitations asking you to send a check, wire transfer, or other payment to another country. Once the payment has left the country, United States law enforcement officials may have difficulty pursuing the funds.
2. Do not disclose your credit card number, check routing information, or other banking information to unknown telemarketers or those claiming to represent foreign lottery officials. Fraudulent operators can use this information to commit identity theft and access your accounts at will.
3. Do not believe claims that you need to pay to “collect your winnings.” Although lottery winnings may be subject to taxes, legitimate lottery operations simply deduct a portion of the winnings in lieu of the tax payment.
4. If it sounds too good to be true, it is. Do not let a desire to “strike it rich quick” cloud your better judgment.

Federal Law

Consumers should not enter any foreign lottery or sweepstakes asking for money in return for winnings or chances. Federal law prohibits the use of mail to sell or buy lottery materials, including tickets, letters or circulars concerning a lottery, chances or shares in a lottery, or payments to purchase such tickets, chances, or shares.

Both the Federal Trade Commission (FTC) and the United States Postal Inspection Service investigate fraudulent lottery solicitations. To report a fraudulent lottery scam, consumers may wish to contact the FTC and the Postal Inspector as follows:

Federal Trade Commission

Consumer Response Center
600 Pennsylvania Avenue NW
Washington, D.C. 20580
(877) 382-4357
TTY: (866) 653-4261
www.ftc.gov

United States Postal Inspection Service

Criminal Investigation Services Center
Attn: Mail Fraud
433 West Harrison Street, Room 3255
Chicago, IL 60699-3255
(877) 876-2455
postalinspectors.uspis.gov

For more information on avoiding foreign lotteries or other consumer information, contact the Minnesota Attorney General's Office as follows:

Office of Minnesota Attorney General

Keith Ellison

445 Minnesota Street, Suite 1400

St. Paul, MN 55101

(651) 296-3353 (Twin Cities Calling Area)

(800) 657-3787 (Outside the Twin Cities)

www.ag.state.mn.us

