

10 top scams targeting seniors

By InvestmentNews

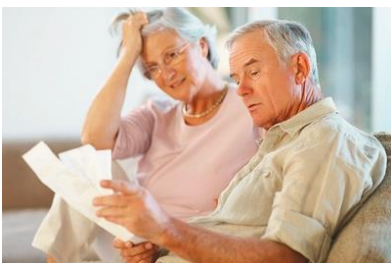
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Frauds perpetrated against senior citizens are estimated to cost victims \$2.9 billion each year. The Senate Committee on Aging, which operates a hotline for reporting such frauds, recently put out a **report** showing the types of senior frauds that were reported most frequently in 2018, when more than 1,500 people called the hotline.

But calls to the hotline are just the tip of the iceberg. Kansas Attorney General Derek Schmidt told a committee hearing that authorities may uncover just one out of every 24 cases of senior fraud. He estimated that one out of every 10 Americans who are 65 or older and living at home will be a victim of abuse. Click through to learn about the most prevalent types of fraud.

Identity theft



Identity thieves use stolen personal information to make unauthorized credit card purchases or steal money from bank accounts; they also use the information to apply for Social Security benefits or get health care covered by Medicare. The Federal Trade Commission says

that in 2017, consumers age 50 and older reported 37% of the identity theft complaints the agency received.

Impending lawsuit scams



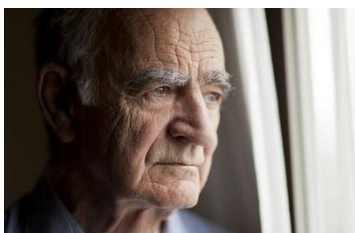
In these scams, a consumer gets a call from someone claiming to work for a local, state or federal law enforcement agency. They're told that there's a warrant out for their arrest — often they're told it's because they failed to report for jury duty — and that they will be arrested immediately unless they pay a fine. The committee noted that reports about such scams rose 32% last year, to 54 calls.

Social Security impersonation scams



Scammers either phone or email consumers, claiming to represent the Social Security Administration and ask consumers for personal information, such as their Social Security number, date of birth or bank account information.

Romance scams



Fraudsters contact seniors through an online dating site or other kinds of social media. Once they've struck up a relationship, they ask for money, perhaps to pay for a trip to visit the senior or to cover some kind of emergency, like medical costs.

The Federal Trade Commission **reported** last week that romance-related scams are on the rise, with complaints to the agency jumping from 8,500 in 2017 to more than 21,000 in 2018. Losses related to romance scams totaled \$143 million last year, outpacing the losses tied to all other types of consumer fraud, according to FTC data.

Grandparent scams



Fraudsters pretend to be the victim's grandchild and claim they need money to get themselves out of an emergency, such as being arrested. Or they may claim to have kidnapped the senior's grandchild and ask for ransom.

Elder financial abuse



Most victims of elder financial abuse — the improper use of an older person's funds, property or assets — are between 80 and 89 years old and live alone. Those responsible for elder financial abuse include family members, caregivers, financial advisers and others with fiduciary responsibility, and strangers who use the mail, phone calls or the internet to perpetrate scams.

Computer tech support scams



Fraudsters pretend they work for a well-known tech company like Microsoft or Dell. They claim the consumer's computer has been infected with a virus, and then try to get remote access to the computer, as well as access to the victim's credit card or bank account information so that they can bill them for fixing the alleged problem.

Microsoft estimates this type of fraud affects 3.3 million Americans each year and results in losses of about \$1.5 billion a year.

Sweepstakes scams



Fraudsters call or email victims and tell them they've won the lottery and just need to pay a fee to collect their winnings. One example is the Jamaican Lottery Scam; at its peak a

few years ago, Jamaican con artists were stealing \$300 million a year from tens of thousands of seniors.

Robocalls and unsolicited phone calls scams



Americans are inundated with robocalls, with the Federal Communications Commission putting the monthly total at nearly 2.4 billion. And technology allows scammers to make it seem that their call originates in the consumer's state or local area code, or that they're calling from a government agency.

IRS impersonation scams



Scammers claim that an individual owes back taxes and penalties, and say that unless the person pays immediately, they could be arrested or have their home foreclosed on. The Treasury Department's inspector general for tax administration says more than 14,700 Americans have lost more than \$72.8 million to this scam.