

# Dept. of Agriculture, Trade and Consumer Protection: Consumer alert: Gift cards fraudulently drained of funds

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MADISON, Wis. – The Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP) has recently received several complaints from consumers after they discovered their newly purchased, unused gift cards did not contain any funds. Many consumers reported that, despite there being no evidence of tampering on the cards or packaging, they contained zero balance before ever being used. Some consumers reported their gift cards being depleted within 20 minutes of activation.

Technology, such as bots, may be behind this fraud as there is a short window of time between gift card purchase and the depletion of funds on the card. Bots are software applications that help perform digital tasks at high speeds. Criminals may use bots to automatically check retailers' online gift card balances and determine cards that have been activated. These bots can search thousands of card numbers per second and notify the criminal as soon as it finds one with a balance – potentially just seconds after the card becomes active. The criminal may immediately use the card to make purchases or sell the card's information on the dark web before the consumer ever uses it.

Another possible cause of this issue is physical tampering. Criminals may conceal tampering by using devices like magstripe readers, which can read and record card numbers without leaving evidence. Criminals later call the card's customer service number, or utilize bots, to find out when the card is activated and deplete its funds before the consumer has any opportunity to do so themselves.

DATCP recommends the following to avoid similar gift card scams:

- Buy your gift cards directly from a known and trusted source.
- Do not purchase gift cards at online auction sites as they may be stolen or depleted.
- Activate gift cards just prior to giving and/or using.
- Use gift cards quickly after receiving them.

For additional information and consumer protection resources, or to file a complaint, visit DATCP's Consumer Protection webpage at [ConsumerProtection.wi.gov](https://www.wisconsin.gov/consumerprotection). If you have questions or believe you are a victim of a scam, report it by calling DATCP's Consumer Protection Hotline at (800) 422-7128 or emailing [DATCPHotline@wi.gov](mailto:DATCPHotline@wi.gov).