

Phony Debt Collector Scams

Scammers pose as debt collectors and attempt to collect for a payday loan or other loan stating that the consumer has defaulted. The scammers often have the victim's Social Security Number, old bank account numbers, driver's license numbers, home addresses, employer information and even the names of personal friends and professional references.

The scammers accuse the victim of defaulting on a payday loan or other loan, and in some instances even claim the victim is being or will be sued. They may threaten that if the victim doesn't pay immediately via wire or by providing bank account or credit card numbers, he or she will be arrested. The scammers like to use common names for themselves and will use different names for their fake collection agencies. Many call themselves federal investigators, and use other methods of fear and intimidation.

There are things you can do to protect yourself from these scams. Under the Federal Trade Commission's Fair Debt Collection Practices Act, debt collectors may not harass, oppress, or abuse any person while attempting to collect a debt. This includes threats of arrest or removal from your home.

Tips to follow:

- Ask the debt collector to provide official documentation in writing which substantiates the debt.
- Do not provide or confirm any bank account, credit card or other personal information over the phone until you have confirmed the legitimacy of the call.
- Review recent copies of your credit reports to ensure that the alleged debt is not affecting your credit.

Consumers should always use caution which disclosing any personal information, particularly on a website. Be cautious of any lender that doesn't ask you for background information outside of your bank account number, which may be a sign that the payday loan offered is not legitimate.

Anyone who has concerns about whether something is legitimate or a scam or suspects they have been a victim of this scam or any other should contact the Consumer Protection Division of the Attorney General's Office at 601-359-4230 or toll free at 1-800-281-4418, if you are within the state of Mississippi.

Mississippi Attorney General's Office Consumer Protection Division 2013