**Why do scammers want gift cards?**

[The Better Business Bureau (BBB](https://www.bbb.org/)) finds that gift cards have also gained in popularity as a payment method for scammers over the last several years. For scams to be successful, crooks need a way to get money from victims. Using a variety of excuses, such as a threat of immediate arrest, scammers convince victims to buy the gift card as a payment method and ask for the numbers on the back of the cards. This enables scammers to quickly steal the money loaded on the cards.

Gift cards join the list of new methods scammers use to part victims with their money. As noted in a recent update of a BBB [study on puppy scams](https://www.bbb.org/article/news-releases/23354-bbb-study-update-puppy-scams-rising-in-2020), scammers now often ask victims to pay through Cash App or Zelle. In addition, BBB is beginning to receive reports where victims are asked to insert cash into Bitcoin ATM machines, and that payment method is a growing concern.

Providing the numbers from the back of a gift card is just like sending cash. Whether victims give the numbers over the phone or text a photo of the back of the card, they are essentially handing money to scammers, who may quickly drop the funds into foreign bank accounts.It’s nearly impossible to get the money back because gift cards do not have the same protections as credit or debit cards. Scammers use this method of payment especially in [government impersonation](https://www.bbb.org/article/news-releases/22776-government-impostors-press-release), [tech support](https://www.bbb.org/article/news-releases/16553-bbb-tip-tech-support-scams), and [romance scams](https://www.bbb.org/article/scams/17012-bbb-tip-romance-scams).

The [Federal Trade Commission (FTC) states](https://www.consumer.ftc.gov/articles/paying-scammers-gift-cards), “Anyone that demands payment by gift card is always a scammer.” In addition, the FTC’s Telemarketing Sales Rule (TSR) has extensive provisions governing telemarketing. The TSR does not currently prohibit the use of gift cards in telemarketing but does forbid the use of reloadable cards -- such as Green Dot or Vanilla cards that can be used at ATM machines -- in these transactions. This study explores the differences between types of cards.