



Government Grant Scams

Because you pay your income taxes on time, you have been awarded a free \$12,500 government grant! To get your grant, simply give us your checking account information, and we will direct-deposit the grant into your bank account.

Sometimes, it is an ad that claims you will qualify to receive a “free grant” to pay for education costs, home repairs, home business expenses, or unpaid bills. Other times, it is a phone call supposedly from a “government” agency or some other organization with an official sounding name. In either case, the claim is the same: your application for a grant is guaranteed to be accepted, and you will never have to pay the money back.

Always keep your bank account information confidential.

But, grants offering “money for nothing” are usually scams, whether you see them in your local paper or a national magazine, or hear about them on the phone.

Some scam artists advertise “free grants” in the classifieds, inviting readers to call a toll-free number for more information. Others are bolder: they call you out of the blue. They lie about where they are calling from, or they claim legitimacy using an official-sounding name like the “Federal Grants Administration.” They may ask you some basic questions to determine if you “qualify” to receive a grant. Calls and come-ons for free money invariably are rip offs.

Grant scammers generally follow a script: they congratulate you on your eligibility, then ask for your checking account information so they can “deposit your grant directly into your account,” or cover a one-time “processing fee.” The caller may even reassure you that you can get a refund if you are not satisfied. In fact, you will never see the grant they promise; they will disappear with your money.



Following a few basic rules can keep consumers from losing money to these “government grant” scams:

- **Do not give out your bank account information to anyone you do not know.** Scammers pressure people to divulge their bank account information so that they can steal the money in the account. Always keep your bank account information confidential. Do not share information unless you are familiar with the company and know why the information is necessary.
- **Do not pay money for a “free” government grant.** If you have to pay money, whether by cash, check, credit or debit card, wire transfer or prepaid money card to claim a “free” government grant, it is not really free. A real government agency will not ask you to pay a processing fee for a grant that you have already been awarded – or to pay for a list of grant-making institutions. The names of agencies and foundations that award grants are available for free at any public library or on the internet. The only official access point for all federal grant-making agencies is:

grants.gov

- **Look-alikes are not the real thing.** Just because the caller says he is from the “Federal Grants Administration” does not mean that he is. There is no such government agency. Take a moment to check if the agency is real by doing an online search.
- **Phone numbers can deceive.** Some con artists use technology to disguise their area code in caller ID systems. Although it may look like they are calling from Washington, DC, they could be calling from anywhere in the world.
- **Take control of the calls you receive.** If you want to reduce the number of telemarketing calls you receive, register your home and mobile residential numbers on the National Do Not Call Registry at no cost by visiting:

Donotcall.gov
888-382-1222

You must call from the phone number you wish to register.

If you are thinking about applying for a grant, remember that the applications are available to you for free and that anyone who guarantees you a grant is likely to be interested in their own financial gain, not yours.

*For more information or to file a complaint,
visit our website or contact:*

Wisconsin Department of Agriculture,
Trade and Consumer Protection
Bureau of Consumer Protection
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