



Fees, Fine Print and Other Gift Card Gotchas

Release Date: November 15, 2016

Media Contact: Jerad Albracht, 608-224-5007
Bill Cosh, Communications Director, 608-224-5020

MADISON – It may be just a small piece of plastic, but a gift card can be anything you want it to be at the register. And for a shopper, the convenience of stocking up on these cards is about as easy as it gets for buying gifts. But despite this simplicity, there are some potential “gotchas” that need to be considered when purchasing cards for friends and loved ones or when using a card you have received. The Wisconsin Department of Agriculture, Trade and Consumer Protection asks both card buyers and recipients to take steps to ensure that everyone gets the full value of the gift.

“The best guidance is for shoppers to read the fine print at the time of purchase and for recipients to use the card fairly quickly when received as a gift,” said Frank Frassetto, Division Administrator for Trade and Consumer Protection.

When buying a gift card:

- Inspect the packaging before you purchase a card to ensure that no protective stickers have been removed and that the pin number has not been exposed. Report any damaged cards to store management.
- Read the fine print on the card to ensure that you understand any rules on usage and associated fees. Federal rules require fees to be disclosed prior to purchase.
- Always give an activation receipt with the card to verify its value and the date of purchase. Make sure gift recipients hold onto their receipts until they have spent the entire value of the cards.
- Gift cards may not be returnable.
- If your loved ones or friends shop online, consider giving them electronic gift cards by email rather than physical cards. Many retailers offer this gifting option and the messages can often be customized with personal messages or images. These cards can be saved in an email account for future use without fear of losing or damaging a physical card.

If you receive a gift card:

- If a store goes out of business, your gift card could be rendered useless. Use a card as quickly as possible.
- Unused cards may be subject to inactivity fees, draining the value of the gift. By federal law, dormancy and service fees are allowed if the recipient has failed to use the card for more than one year. After that, fees are limited to one per month, but there is no limit on the amount of the fee.
- Keep your cards safe. Make a copy of the front and back of the card and keep it with the original receipt. Contact the issuer immediately if you lose a card or if it is stolen, but be aware that you may not be able to replace it. Some issuers may replace the card for a fee.

For additional information or to file a complaint, visit the Consumer Protection Bureau at datcp.wisconsin.gov, send an e-mail to datcphotline@wisconsin.gov or call the Consumer Protection Hotline toll-free at 1-800-422-7128.

Connect with us on Facebook at www.facebook.com/wiconsumer.