

Consumer Focus

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Work From Home: A Sweet Dream or Bad Scheme?

Imagine a well-paying, easy job with flexible hours that you can do from the comfort of your home. As amazing as that may seem, you might also wonder if an offer like that is too good to be true. Well, as the old adage says, it probably is.

Work-from-home scams target those looking to make easy money from home. They advertise get-rich-quick opportunities through tasks as simple as stuffing envelopes.

Here are some common scam pitches that try to convince you you'll earn easy cash from your easy chair:

- **Secret Shopper:** The ad says all you need to do is shop at a store, report your experience, and collect a check. The problem is the check (including a cashier's check or money order) is often as fake as the job itself. You receive a large check, and you're asked to keep part of it and return the "overpayment" through a wire transfer. Eventually the check doesn't clear and you're on the hook.
- **Reshipping:** A scammer asks you to repackage goods and forward them to another address, often abroad. You are "reimbursed" for shipping charges and paid with a check. By the time your bank figures out your check is fraudulent, you've already shipped the goods and the scammer has cut off communication. You're left with a large amount of unpaid shipping fees. And, to make things even worse, the goods you reshipped—often popular, high-cost electronics like iPhones, computers, and cameras—were stolen to begin with. You may find yourself answering questions about your role in helping smuggle stolen merchandise out of the country.
- **Envelope Stuffing:** The envelope stuffing scam starts with a "joining fee" and possibly a requirement to purchase materials. You end up without the income you expected, and may even end up short after paying a joining fee and making required purchases. Or you may waste money on a piece of paper that recommends you send

similar letters to others and charge them for the same advice. Keep in mind that scams like this require others to respond like you did.

- **Internet Business Opportunity:** It sounds tempting to be able to sit at your computer at home and simply click for cash by starting your own internet business. But these so-called business opportunities are often great money-making opportunities only for those selling the “work at home” services, and not so much for you.

Here are some tips on how to avoid work-from-home scams:

- **Research a company before you accept a "work from home" offer.** Use a trusted search engine and enter the company’s name along with the words “complaint” or “scam.” Check for complaints through the Better Business Bureau’s website at www.bbb.org, or contact our Consumer Protection Division at 515-281-5926 or toll-free at 888-777-4590 (outside the Des Moines area), or email us at consumer@iowa.gov.
- **Avoid an offer that appears too good to be true:** Most fraudulent jobs offer well above minimum wage for very simple tasks. If the skill and effort requirements for the job are low and the pay is high, it is most likely a scam.
- **Avoid job opportunities that charge a “joining fee.”** This is how many work-from-home scammers make a profit. It’s a red flag and is your sign to walk away.
- **Ask to speak with other employees.** If a company can’t provide contact information for any employees, it is most likely fraudulent.
- **Ask for the address of the company’s headquarters.** If a company provides one, look it up to make sure it is legitimate. Be wary of job offers from other countries—work at home scams often originate from overseas.
- **Be wary of an offer that involves reshipping goods.** Most reshipping scams involve shipping stolen merchandise to other countries. Handling them could get you into trouble.