

CONSUMER AFFAIRS TABLOID



Keeping you in the “KNOW”



287-2489

Army Community Service Financial Readiness Branch

Summer 2012

Excerpt from: The Attorney General of Texas

<https://www.oag.state.tx.us/oagnews/release.php?id=4020>



Houston-Based TaxMasters and Founder Patrick Cox Ordered to Pay Over \$195 Million For Defrauding Customers in Texas and Nationwide

AUSTIN – Texas Attorney General Greg Abbott released the following statement after a Travis County jury returned a \$195 million verdict against Houston-based TaxMasters, Inc., its predecessor companies and its founder and chief executive officer, Patrick Cox, for violating the Texas Deceptive Trade Practices Act:

“Today’s decision marks a significant victory for the Texans and TaxMasters customers nationwide who sought help from TaxMasters with their income tax debts and were taken advantage of in the midst of a national economic downturn. While the TaxMasters CEO made hollow promises about fighting for taxpayers and their pocketbooks in television ads, the evidence proved that the firm didn’t even bother to show up when it came time to fulfill those promises, but instead misled and defrauded their customers.”

Better Business Bureau Tidbit

www.bbb.org/us/article/bbb-names-top-ten-scams-of-2011-31711

Top Check Cashing Scam

Two legitimate companies – Craig’s List and Western Union – are used for an inordinate amount of scamming these days, and especially check cashing scams.

Here’s how it works: Someone contacts you via a Craig’s List posting, maybe for a legitimate reason like buying your old couch or perhaps through a scam like hiring you as a secret shopper. Either way, they send you a check for more than the amount they owe you, and they ask you to deposit it into your bank account and then send them the difference via Western Union.

A deposited check takes a couple of days to clear, whereas wired money is gone instantly. When the original check bounces, you are out whatever money you wired...and you’re still stuck with the old couch.



ASK BUCKSAVER

Dear Bucksaver:

I keep receiving calls from an individual who said he is from the Department of Justice and stated I owe money to a cash advance company. Later he emailed a very official letter from the National Fraud Enforcement Task Force. I don’t think he’s legit.

Dear Legit:

Unscrupulous debt collectors use a variety of threats to collect debts, even ones you don’t owe. Follow the steps from the Federal Trade Commission before agreeing to pay or giving out any personal information.

www.ftc.gov/bcp/edu/pubs/consumer/alerts/alt076.shtm

For more information, contact one of our Financial Readiness Counselors who can provide additional guidance on dealing with debt collection calls and creating a plan to pay legitimate debts.



Excerpt from: **The Federal Bureau of Investigation**
www.fbi.gov/news/stories/2012/april/grandparent_040212



**The Grandparent Scam:
Don't Let It Happen to You**

You're a grandparent, and you get a phone call or an e-mail from someone who identifies himself as your grandson. "I've been arrested in another country," he says, "and need money wired quickly to pay my bail. And oh by the way, don't tell my Mom or Dad because they'll only get upset!"

This is an example of what's come to be known as "the grandparent scam"—yet another fraud that preys on the elderly, this time by taking advantage of their love and concern for their grandchildren.

We've also seen Military Families victimized: after perusing a Soldier's social networking site, a con artist will contact the Soldier's grandparents, sometimes claiming that a problem came up during military leave that requires money to address.

And, our advice to avoid being victimized in the first place:

- Resist the pressure to act quickly.
- Try to contact your grandchild or another Family member to determine whether or not the call is legitimate.
- Never wire money based on a request made over the phone or in an e-mail ...especially overseas. Wiring money is like giving cash—once you send it, you can't get it back.

Avoid Scams and Rip-offs. Get your own copy of the Consumer Action Handbook
www.usa.gov/consumer-action-handbook/order-form.shtml
or stop by Bldg 12020, Suite 400 and ask for a copy.

From the Files of Fort Hood's Consumer Affairs Office

287-CITY

Pre-Purchase Advice – From automotive repair to home improvement to renting a car, brochures and information are available to assist you in making a wise consumer choice **BEFORE** you shop.

Business Inquiries - Call 287-CITY to find out how many complaints have been filed against a business. Consumer Affairs cannot make recommendations. You must ask about a specific business.

Complaint Resolution - Consumers who need assistance in resolving problems can call for an appointment.

Remember oral promises are very difficult to prove in a court of law. Get every single promise, quote, or warranty in writing.

Back issues of the Consumer Affairs Tabloid are available on the Financial Readiness Branch section of the Army Community Service website at www.hoodmwr.com/acs.

**Army Community Service
Financial Readiness Branch**

**"Fort Hood Soldiers &
Families Are Financially
Fit"**

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Financial Peace University
Teaches Families to beat debt,
build wealth, plan for
retirement, and set personal
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Call 254-287-6483**

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www.hoodmwr.com/acs-frb.html

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