



Internet and Social Media Solicitations: Wise Giving Tips for Texas Donors

Charities use a wide and growing variety of technologies to solicit charitable donations, including via internet, email and social media. Today, charities can create a fundraising page and start soliciting on behalf of a charity in minutes. So, too, can a fraudster. To help donors make wise giving decisions in this rapidly evolving fundraising environment, the OAG offers the following tips:

Make sure you are donating to a legitimate charity:

- If you receive an email or text message asking for a donation, confirm that the request is from the charity, and not an imposter, by contacting the charity or visiting its website.
- You can also check out the following resources to learn more about specific charities: [IRS Select Check](#), [BBB Wise Giving Alliance](#), [Charity Navigator](#), [GuideStar](#), the [Foundation Center](#) and the [National Center for Charitable Statistics](#).
- Be cautious of “look-alike” websites. These fraudulent websites will often ask for personal financial information or may download harmful malware onto your computer.
- Watch out for charities with names that sound similar to well-known organizations. Sometimes these sound-alike names are simply intended to confuse donors.
- Don't assume that charity recommendations on Facebook, blogs, or other social media have already been vetted. Research the charity yourself.

Peer-to-peer fundraising:

- Individual supporters, like yourself, can raise money for charities through peer-to-peer fundraising campaigns. Supporters can set up fundraising pages on fundraising platform websites to raise money from friends and family members for their favorite cause.
- If you want to set up a peer-to-peer fundraising page, we recommend that you contact the charity beforehand to get permission to use its name and to make sure the representations you make on your page are correct.
- If you want to donate through a peer-to-peer fundraising page, first make sure that your donation is going directly to the charity and not the individual supporter.
 - Find out what percentage of your donation will go to the charity and whether you will be charged any fees for donating through the fundraising platform website.
 - Find out what the website will do (if anything) with your personal information. Be wary of websites that do not provide a privacy policy.

Gifts to benefit an individual or family:

If you are considering making a gift to an individual or family, instead of an established charity, please keep the following information in mind:

- Contributions earmarked for relief of a specific individual or family are not tax deductible, even if they are made to a qualified charitable organization. Ask whether the charitable contribution is tax deductible, and verify with your tax advisor or the IRS. The fact that a charity has a tax identification number does not necessarily mean your contribution is tax deductible. Ask for a receipt showing the amount of the contribution and stating that it is tax deductible.
- Ask the fundraiser whether there is a trust or deposit account established for the individual's or family's benefit. Contact the banking institution to verify the existence of the account, and check locally to confirm that there really is such a need.
- Do not give cash. Contribute by check that is payable to the fund, not to an individual, and mail directly to the fund.

If you wish to establish a fund to assist victims of a serious illness or tragedy:

- Please be careful to respect the wishes of the victim's family and friends. The law may require that you have written permission to use the names or photographs of any person or organization in your fundraising appeals.
- Be specific and transparent about how the funds will help victims or their families and how quickly collected funds will be distributed.
- Be clear in your fundraising appeal from the beginning if there are multiple purposes for the fund, such as funding future community needs related to the tragedy. Many donors give with the expectation that all funds will be distributed quickly and solely to victims and their families.

Additional tips:

- Be cautious when considering giving to newly formed charities since they won't have a track record that you can take into consideration.
- Be extra vigilant when donating online in the wake of natural disasters or national tragedies.
 - Some charities are formed shortly thereafter and may have the best of intentions; however, an existing charity is more likely to have the sound management and experience to quickly respond to these situations, and it will have a track record which you can review.
 - Also, be aware of sham charities that pop up to take advantage of people's generosity during these times.
- You may want to give to a specific program or purpose within a charity; for example, disaster relief. If a website has a "donate" button, see whether you can designate a specific purpose for your donation. If you can't, contact the charity to be sure your donation will be spent for the purposes you intend.
- Some charities sell merchandise online and claim that "100% of the proceeds" will benefit the charitable purpose. But "100% of the proceeds" does not necessarily mean 100% of the sales price. Contact the charity to ask how much of each purchase it will receive. If they cannot give you an answer, consider donating another way.