

9 Coronavirus Financial Scams to Watch For

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The coronavirus pandemic has sent shockwaves throughout the country and globally.

With so much uncertainty as to how the virus will affect employment and income in the near future, [many people are understandably concerned about protecting their financial health](#).

The good news:

The government has approved a financial relief plan and most Americans will receive a payment the upcoming weeks.

As you keep an open eye for your payment, you should also be vigilant of fraudulent activity.

Sadly, some people are using this event as an opportunity to rob others of their hard-earned money. How can you protect yourself?

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Here are a few coronavirus scams to watch for, and tips on how to avoid getting duped.

Scam #1: Paying a Fee to Get Your Relief Check

Many Americans are eligible to receive a stimulus relief check.

Individuals who earn up to \$75,000 will receive \$1,200. Couples earning up to \$150,000 will receive \$2,400. And families with kids will receive an additional \$500 per child.

This is perfect timing for struggling households.

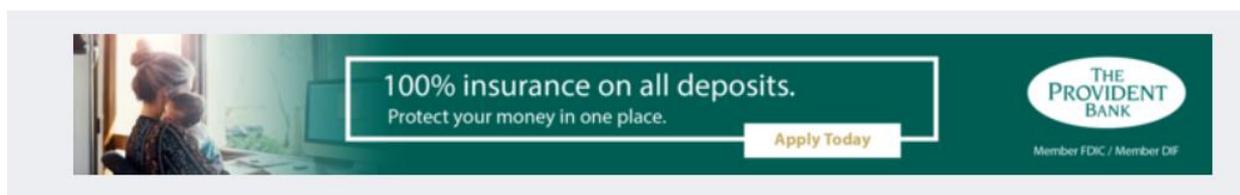
But if you're not careful, a scammer might use the current situation to your disadvantage.

This is how the scam works:

A thief calls your home and says you'll have to pay a fee before getting any type of emergency relief. The scammer will then ask for your credit card or bank account number.

This is a lie because **there's no fee to receive government relief**. Once the scammer has your information, they'll take your money and run.

Scam #2: Student Loan Forgiveness in Exchange for a Fee



The government relief plan waives student loan interest.

It also allows borrowers to defer their student loan payments for up to 60 months. And it will stop collection attempts on defaulted student loan debt.

Similar to the above tactic, scammers might send random emails or make random phone calls. They hope to come across someone looking for student loan help.

The scammer claims that you're required to pay a fee to have your interest or payment temporarily waived. Or they might go as far as saying that the government will forgive your student debt in exchange for a fee.

This is false information, and yet another way for the person to steal your money.

Scam #3: Fake Charities

If you believe there's more happiness in giving than receiving, you might be eager to make a donation to a charity during these tough times.

But don't give your money to a "so-called" charity that contacts you via phone or email.

Also, **don't give money to a charity that you've never heard of.** When making a donation, contact reputable, well-known charities yourself.

Some scammers will make calls posing as a charity to collect money from the general public.

Scam #4: Fake Loan Offers

Scammers know that many people are struggling and need some type of quick relief.

They take advantage of these situations by contacting people and posing as banks or other financial institutions. Once they have a victim on the phone, they proceed to offer a fake loan.

They might entice you by saying you can get a personal loan with no credit check and a low interest within a few days.

They'll request your personal and financial information—as if they're filling out a loan application in your behalf.

This is all a ruse to get your personal information and steal your identity.

Scam #5: Fake Government Grant

Also, some thieves might send an email or call saying that you qualify for a COVID-19 government grant.

They'll get your attention by saying the money will provide financial relief to you and your family.

To receive the grant, though, you must provide personal information such as your name, address, birth date, and Social Security number.

They'll say this information is needed to verify your identity, but they'll actually use it to steal your identity.

Scam #6: Phishing Scams

It's also important to keep an open eye for old-fashioned phishing emails. These might appear to come from a legitimate source like your bank or credit union.

You might receive an email that "supposedly" came from the bank. It might encourage you to apply—via a link—to defer credit card or loan payments.

The email may appear legitimate, but if you click the link within the email, **it actually takes you to a fake website**. And once you enter your information, the person behind the fake website will ask for your personal and financial data.

They'll use the information for fraudulent purposes.

Scam #7: Work From Home Scams

Also, be mindful of work from home scams. If you're looking to earn extra money during these difficult times, you might be open to any opportunity that comes available.

But it's important to only apply for work with reputable companies, and be leery of any company that contacts you out-the-blue.

Scammers might say they have work-at-home opportunities, but then **charge a fee for you to access an online job board**.

As a general rule of thumb, never pay to find a job.

Or, the scammer might ask you to download a program or file so you can access their website. Downloading this file, however, installs malware on your computer. This is malicious software that makes your computer vulnerable to attacks.

Once the thief has access to your computer system, they can retrieve your personal and financial data.

Scam #8: Fake Medical Supplies

Some scammers have gone as far as creating fake websites claiming to sell safety supplies like face masks and gloves. Some might even claim to have products to prevent coronavirus.

But, according to the Federal Trade Commission:

“There are currently no vaccines, pills, potions, lotions, lozenges or other prescription or over-the-counter products available to treat or cure Coronavirus disease 2019 (COVID-19)⁰—online or in stores.”

If you purchase items from a fake site, the company will take your money, and never ship an item.

To protect yourself when shopping online, only purchase from reputable stores, or those with a lot of positive reviews. Also, look for a padlock in the address bar which indicates a secured site.

Scam #9: Predatory Loans

Predatory lending is also a concern during these times.

When you need fast financial relief, you might consider any loan opportunity. Just know that predatory lenders will prey on your desperation.

They’ll offer unaffordable terms which can include high loan fees and high interest rates. If you need a loan, make sure you shop around. Contact at least three financial institutions to compare rates and fees.

Tips on How to Avoid Coronavirus Scams

Scammers are clever and they’re always thinking of new ways to take advantage of their victims. But this doesn’t mean that you’re helpless.

Here’s a look at several ways to avoid losing your money:

Ignore unsolicited emails

If you receive an email offering work at home opportunities, grants, loans, or any other type of relief—and you didn’t contact the company first—ignore it.

Do not click any links within the email, and don’t download any software to your computer.

Keep your computer security software up-to-date

You can also reduce the likelihood of having malware and viruses installed on your computer by keeping your software up-to-date, and by installing security software on all your devices.

Don't respond to robocalls

Some scammers offer fake relief over the phone.

If someone calls offering you a loan, grant, or another way to receive quick cash, hang up.

Confirm that emails came from your bank

If you receive an email from your bank stating that you qualify for special relief, contact your bank to confirm the legitimacy of this email.

Visit your bank's website in a new browser.

Or, call the phone number listed on the back of your credit or debit card.

Do not visit your bank's website via a link in the email. And don't use any phone numbers listed in the email.

These might direct you to a fake site and a fake company.

Don't give out personal information

You'll never pay a fee to get government relief, and you don't have to pay an upfront fee to apply for a loan.

Hang up or disregard any emails that request your credit card or bank account number, or your Social Security number.

Research a charity before making a donation

Err on the side of caution and donate to charities you already trust.

Final Word

Protecting your health is priority number one. But while your focus is on your health, some people will try and take advantage of your finances.

So it's important to be careful and cautious with your money, too.

Keep your computer secure, ignore random emails, social media messages, and phone calls, and never give out your personal information.

Take these measures and you'll reduce your risk of being duped during this ordeal.



About the author Valencia Patrice Higuera



Valencia Higuera is based in Virginia and she covers budgeting, credit cards, and student loan debt, with expertise in frugal living, general banking, and mortgages. She is a self-proclaimed personal finance junkie. Valencia has contributed to publications and outlets including MSN, The Huffington Post, CBS News, Investopedia, and more.

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