Fake Debt Collectors Threatening to Put Delinquent Borrowers in Jail

June 28, 2011 - Hard times always bring out the scam artists. The current recession is proving that this unwritten rule has not changed at all. The latest scam that we've come across is another telemarketing scam. The call poses as a debt collector. Specifically, the caller says that he or she works for a law firm that is collecting on an old debt and that if the person that answered the phone doesn't pay immediately, an arrest warrant will be issued. It is no wonder that a lot of people receiving these calls panic and actually make a payment on the spot. Unfortunately, they will soon find that they have just been victimized.

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(function() {
var s = document.createElement('SCRIPT'), s1 = document.getElementsByTagName('SCRIPT')[0];
s.type = 'text/javascript';
s.src = 'http://widgets.digg.com/buttons.js';
s1.parentNode.insertBefore(s, s1);
})();

Any legitimate debt collector should be able to provide documentation on the debt they are attempting to collect on. If you receive a call like the one described above, ask for that documentation.

Legitimate debt collectors also have to provide you with certain information. Things like their firm name and address.

As a consumer, you have some very specific rights when debt collectors do contact you. It is illegal for a debt collector to threaten to sue you unless they actually intend to do so. They can't use profane language or threaten you. If they do any of these things, you can report them to the FTC.

You also have the right to send the debt collector a letter that says that they are not to contact you again in the future. Now, if you do send such a letter and the debt is legitimate, that letter won't prevent the debt collector from filing a law suit. But if you get a call that is a scam, and you know what your rights are, the chances are that the scam artist is going to get the message and get off the phone with you a lot faster.

Under no circumstances should you provide anyone claiming to be a debt collector with credit card information, your birth date, your Social Security number or banking information. If they ask you for any of this information, try to get as much information from the person on the other end of the phone as you can and then report them to the police.

If you have doubts about a debt that someone is claiming you owe, and they tell you that the debt is several years old, then you should check your credit report. You can do this by calling (877) 322-8228. This is the only government authorized service to provide you with a copy of your credit report from each of the major credit reporting agencies.

byJim Malmberg
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