Refund Programs: Frequently Asked Questions

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How do I know this FTC payment or claim form is legit?

The FTC currently sends payments by check, prepaid debit card, PayPal, and Zelle.

A payment or claim form sent as part of an FTC settlement will include an explanation and details about the case. The case will be listed at ftc.gov/refunds, along with the name of the company issuing payments and a phone number for questions.

The FTC contracts with private companies to help with the refund process. We currently contract with five companies:

- Analytics Consulting, LLC
- Epiq Systems
- JND Legal Administration
- Rust Consulting, Inc.
- Simpluris

The FTC never requires you to pay upfront fees or asks you for sensitive information, like your Social Security number or bank account information. If someone claims to be from the FTC and asks for money, it's a scam.

Where did you get my information?

FTC court orders typically require the defendants to provide a list of customers, along with their contact information, and how much they paid. We use this information to send refunds.

We may also use the agency's Consumer Sentinel Network database to find eligible recipients. Consumer Sentinel data contains millions of reports from people who contacted the FTC, the Better Business Bureau, or other federal, state, and local law enforcement offices about fraud or bad business practices. The FTC may search for reports related to the defendants and use the contact information in those complaints to create a list of potential refund recipients.

Why didn't I get all my money back? Will I receive any more money?

In cases where there is not enough money to provide full refunds, the FTC analyzes the available data to determine how best to distribute the money. Refund amounts will depend on how much the FTC is able to collect from the defendants and how many people lost money. In most FTC cases, the money is distributed on a pro rata basis, meaning that each recipient receives an equal percentage of his or her total loss.

If there is any money left in the settlement fund after the first distribution, the FTC may send a second round of payments.

If I accept this payment, can I still take legal action?

The FTC does not require you to forfeit any rights you may have under federal or state law to get your refund.

Do I have to pay taxes on a check I received as part of an FTC refund program?

If you have any questions about how your payment may affect your taxes, please consult a tax advisor. Generally, the FTC does not issue 1099s or other tax documents to refund recipients. In cases where the FTC is required to report payments to the IRS, the agency will include a 1099 tax form with your check. If you receive a 1099 tax form with your check, you should report the payment as income on your tax return. Free e-filing tools are available at www.irs.gov/freefile.

I need a new check because of a legal name change, a death, or a spelling correction.

You must submit your request in writing by mail or email. Please call for details. You can find the phone numbers for FTC refund programs at ftc.gov/refunds.

I didn't cash my check right away, and it has expired. Can I still get my payment?

If there is still money available in the settlement fund, we may be able to reissue your payment. Please call for details. You can find the phone numbers for current FTC refund programs at ftc.gov/refunds.

I requested a check reissue. How long will it take to get a new check?

Generally, after the initial distribution, we process check reissues once a month.

If you are requesting a check instead of a PayPal payment, it will be at least 45 days from the initial payment date before we can issue the check. We must wait for PayPal to return the payment before we can begin processing check reissues.

Can I speak to someone about my claim form or payment?

To discuss your claim or payment, call the number on the claim form, check, or email that you received from the FTC. You can find and verify the phone numbers for FTC refund programs at ftc.gov/refunds.

Does the FTC ever use PayPal to send refunds?

Yes, the FTC sometimes uses PayPal to send refunds.

In these cases, we send an email from the FTC to payment recipients prior to payment. The email will come from an address that ends with **.gov**.

Once payments have been issued, PayPal will send an email telling recipients about their refund.

Whenever there's an FTC refund program, information is available at ftc.gov/refunds. Click on a case name to see more details about the refund program, including whether we sent checks, debit cards, Zelle payments, or PayPal payments.

Scammers sometimes send emails that pretend to be from the FTC or a company you know. To avoid these scammers:

- Don't click on any links in emails that seem to be from the FTC or from PayPal. It's safer to go to the website by typing the URL into your browser: ftc.gov/refunds or PayPal.com ☞.
- Never pay money or give sensitive financial information to get a refund payment from the FTC.
- Know that you only need to provide your name and email address to create a PayPal account.

For more information, please read the FTC's article about phishing scams.

What happens to money that isn't claimed?

Whenever possible, the FTC uses the money it collects from defendants to provide refunds to injured consumers. If there is any money left in the settlement fund after the first distribution, the FTC may send a second round of payments.

The FTC sends money that cannot be distributed to consumers to the U.S. Treasury.

How much money from FTC lawsuits goes to FTC attorneys?

None of the money collected in FTC lawsuits goes to the FTC or its attorneys. The FTC is a federal government agency that gets its budget from Congress. FTC attorneys and other staff are paid a salary from the agency's annual budget.

The FTC reports how much money was returned to consumers, how much was spent on administrative costs, and how much was sent to the U.S. Treasury when there were leftover funds, each year and for every case, on the agency's Refunds Dashboard. Over the last 5 years, more than 95% of the money collected for refunds has been returned to consumers.

I just heard about an FTC settlement. How long will it take to send out payments? How do I file a claim?

We send out payments as soon as we can. We cannot send payments until all legal action is complete, and we have collected the money from the defendants.

Most FTC cases do not require you to file a claim. FTC court orders typically require the defendants to provide a list of customers, along with their contact information, and how much they paid. We use this information to send refunds. If we do not have all the information we need to send refunds, we may request that consumers file a claim. If so, information about how to file a claim will be available at www.ftc.gov/refunds.

It is our goal to send payments within 6 months of receiving the data and money necessary for distribution.

If you believe you have been affected by an FTC case that is not listed at ftc.gov/refunds, you can file a complaint at reportfraud.ftc.gov.

Where can I learn more about how the FTC provides refunds?

For more information about the FTC's refund process, see How the FTC Provides Refunds.

Does the FTC publish statistical information about its refund programs?

Data on FTC refunds are available in interactive online dashboards. Users can explore refund data by case or by year to learn about **where** refunds were sent, the **dollar amounts** refunded, and the **number of people** who benefited from FTC refund programs.