

## Rotating News Article

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**To:** Rotating News Article

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# Smart Shopping for Gift Cards

Gift cards can be convenient to give and welcome to receive. The giver can be relatively certain the receiver will find something he/she wants. Gift cards also mail easily, need no wrapping paper and can help one finish shopping quickly. Receivers like gift cards for their flexibility and they reduce the need to return an ill-fitting or unwanted gift. However, all gift cards are not created equal. Many of these cards carry fees and fine print that can cost you more or greatly reduce the value of the gift, especially over time. Careful selection of gift cards is essential to getting the most for your money.

There are two kinds of gift cards. Multipurpose cards carry logos such as Visa, MasterCard or American Express and are issued by financial institutions. These cards provide the flexibility of use in numerous stores, but often carry restrictions and fees. The other type of gift card is a store-issued card. It may only be used in a particular store, so one must consider the shopper's taste or desires when selecting it as well as the accessibility of the store.

When purchasing a gift card, check to see if any of the following fees are involved. These fees can increase the price you pay or, more often, greatly reduce the value of the gift.

- Issue or purchase fee that the giver must pay, which can increase the purchase cost (a \$25 gift card may cost \$30 or \$35 to purchase).
- Monthly fees deducted from the card, i.e., 75 cents per month deducted from the card automatically.
- Transaction fees for using the card. These are sometimes 50 cents per transaction, reducing the value of the gift.
- Inactivity fees, which apply after a certain time if the card has not been used.
- Expiration date. Most cards close out on the expiration date, after which one may lose any money left on the card. Some cards allow for reactivation of the card with a fee.

- Rules applying to lost or stolen cards. Some replace a lost or stolen card for free and some charge a fee.

When giving a gift card be sure to include any information you receive as well as the sales receipt. Make the receiver aware of any conditions or fees to avoid a reduction in the value of the gift. If you receive a gift card, carefully read all the information about the card and its use and check for an expiration date. Safeguard your gift cards as you do cash.

If you have a problem with a gift card, contact the store or financial institution that issued it. If you cannot resolve the problem at that level, you can contact the Federal Trade Commission for cards issued by retailers, at [www.ftc.gov](http://www.ftc.gov) or 1-800-FTC-HELP. For problems you cannot resolve with the financial institutions that issued a card, contact the Comptroller of the Currency at 1-800-613-6743. When selected carefully, gift cards can be a wise choice, adding to the enjoyment of special occasions on the part of the giver and receiver.

For more information or if you have a question, call Linda Bowman, Family and Consumer Sciences Extension Faculty, The University of Florida/IFAS-Santa Rosa County Extension, at 850-623-3868, between the hours of 8:00 am and 4:30 pm weekdays. Hearing-impaired individuals may call Santa Rosa County Emergency Management Service at 983-5373 (TDD).

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