

Don't Get Duped When Donating to Myanmar or China Relief Efforts BBB provides eight tips for donating wisely

May 12, 2008 – **Philadelphia, PA** – As evidence of the devastation in Myanmar continues to mount, many Americans are looking for ways to help by donating to a relief organization or charity. The recent earthquake in China will also have American's digging into their charitable pockets. With this, the Better Business Bureau (BBB) warns that—as occurred following the tsunami disaster in 2004—fraudulent charities will emerge to try and scam donations from well-meaning Americans.

"Whenever there is a major natural disaster, be it home or abroad, there are two things you can count on. The first is the generosity of Americans to donate time and money to help victims, and the second is the appearance of poorly run and in some cases fraudulent charities," said Edward Johnson, President and CEO of the BBB. "Not only do Americans need to be concerned about avoiding fraud, they also need to make sure their money goes to competent relief organizations that are equipped and experienced to handle the unique challenges of providing assistance in Myanmar."

The BBB and the BBB Wise Giving Alliance offers the following eight tips to help Americans decide where to direct donations and ensure that their money provides the most benefit to the victims in Myanmar and/or China:

Rely on expert opinion when it comes to evaluating a charity.

Be cautious when relying on third-party recommendations such as bloggers or other Web sites, as they might not have fully researched the listed relief organizations. The public can go to www.bbb.org/charity to research charities and relief organizations to verify that they are accredited by the BBB and meet the 20 Standards for Charity Accountability.

Find out if the charity has an on-the-ground continuing presence in Myanmar or China.

Because of the stringent conditions in Myanmar, unless the charity already has staff inside the country, it will be difficult for new aid workers to attain visas and ultimately accomplish aid assistance in the country. Check out organizations at www.InterAction.org—the nation's largest coalition of international relief organizations—to verify which aid organizations are currently active in Myanmar or China.

Find out who will benefit in Myanmar/China and what type of assistance they will be provided.

The immediate needs are food, water, shelter, transportation and clean-up efforts. In Myanmar, because their government has not been determined how long organizations will be permitted to operate, long-term goals might not be achieved.

Be wary of claims that 100 percent of donations will assist Myanmar/Chinese victims.

Despite what an organization might claim, charities have fund raising and administrative costs. Even a credit card donation will involve, at a minimum, a processing fee. If a charity claims 100 percent of collected funds will be assisting

certain victims, the truth is that the organization is still probably incurring fund raising and administrative expenses. They may use some of their other funds to pay this, but the expenses will still be incurred.

Find out if the charity is providing direct aid or raising money for other groups that are active in Myanmar/China.

Some charities may be raising money to pass along to relief organizations that are already active in the region. If so, you may want to consider “avoiding the middleman” and giving directly to charities that have a presence in the given country. Or, at a minimum, check out the ultimate recipients of these donations to ensure the organizations are equipped to effectively provide aid.

Be cautious when giving online.

Be cautious about online giving, especially in response to spam messages and emails that claim to link to a relief organization. In response to the tsunami disaster, there were concerns raised about many Web sites and new organizations that were created overnight allegedly to help victims.

Gifts of clothing, food or other in-kind donations are not recommended.

In-kind donation assistance is not practical. Most foreign relief organizations prefer cash donations so that supplies can be purchased near the relief site. In-kind drives for food and clothing—while well intentioned—will not end up being delivered to those in need.

If tax deduction is a concern, donate domestically.

To help ensure your contribution is tax deductible, the donation should be made to a U.S.-based charitable organization that is tax exempt under section 501(c)(3) of the Internal Revenue Code. Go to IRS Publication 78 on www.irs.gov for a current list of all organizations eligible to receive contributions deductible as charitable gifts.

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