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Death by Premium Text Messages

I was shocked last month to discover that one of my kids on the "Family Plan" had managed to rack up \$1,100 in cell phone charges in just a few weeks. Since it is not possible to talk that much, even for young people, I investigated and found the culprit was something called "Premium" text messages. Sure, I have unlimited text messaging on all our phones. But these services are not covered by that fee.

Dave McClure • Oct. 15, 2009

I do a lot of writing for the accounting community — blog postings, "Tech2Go" podcasts, a monthly column, reviews and epiphanies. And I make it a point not to talk about the same topic in any two, just to keep the ideas flowing and my columns fresh.

This is an exception.

I was shocked last month to discover that one of my kids on the "Family Plan" had managed to rack up \$1,100 in cell phone charges in just a few weeks. Since it is not possible to talk that much, even for young people, I investigated and found the culprit was something called "Premium" text messages. Sure, I have unlimited text messaging on all our phones. But these services are not covered by that fee.

Instead, these "Premium" services charge \$1 to \$2 per message. Hundreds and hundred of messages, potentially, sent your your cell phone and charged to your bill. They are personal ads, news items, entertainment items, and some are even outright scams. But the reality it that you are stuck paying for them, just as in the old days when someone used your phone to all 900-numbers. The kid in question did not

even realize he had agree to accept the messages. When they arrived, he simply deleted them without reading.

Most of these “Premium” messages don’t even originate on the phone, but through your personal computer. Here’s how the scam works: You log onto a portal or site and there is a challenge to take a test or see some salacious item: current events, IQ or whatever. You click on the box, and up pops a long, boring service agreement. To get past this, you do what everyone does — click on the “I agree” button. You take the test or look at the item, and it offers to send the results to your cell phone. If you enter your phone number, they can hit your account without limit until you stop them.

This is an emerging issue, and the horror stories make mine seem tame — phone bills in the tens of thousands of dollars, mostly from young people.

With a quick call to Verizon Wireless customer support, I was able to get premium messaging blocked for the future — but still had to pay the bill. Nonetheless, they were good about explaining the problems with third-party billing to me so I could better protect myself, and for that I thank them.

I strongly recommend that you immediately call your cell phone provider and have these messages blocked on your cell phones — particularly company phones issued to employees who may not know how this scam works.

While I am not unhappy with Verizon, I nonetheless have to ask...why didn’t they warn me about this threat? Why do they handle the billing for these scams? And where is the Federal Trade Commission, which ought to be all over this on behalf of consumers?

Blog

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