



Merchant Tips

Cashing a check is a privilege, not a right.

A check is not an I.O.U. The full amount of the funds should be in the bank at the time of the transaction. Merchants have the right to refuse to accept a check from anyone, and may ask for another form of payment for goods or services.

Here are some tips for accepting checks:

- Institute and display a check acceptance policy for your employees and customers.
- **Look at the check!**
- Be suspicious of checks that have a low check number, a handwritten check number, or no printed name.
- Checks must be dated the same day they are given.
- Do not accept pre-signed checks. All checks should be signed in your presence.
- Ask for government issued picture ID or Driver's License. Compare the signatures on the identification provided with the one on the check. Write down the ID number yourself Do not let the check writer to write down their identification numbers. (Your personal handwriting is a good way for you to authenticate that you processed that check.) If the identification number is printed on the check, still verify the number with the ID card. *Tip: The first 3 numbers on a Michigan Driver's License must be 000 or between 100-666 (with no digit greater than 6) or between 726-730.*
- Make sure that the numeric dollar amount matches the written dollar amount.
- Require a permanent street address, not a P.O. Box number.
- Do not accept "starter checks."
- Do not accept checks from persons and/or banks that are out of state. (It is hard for prosecutors to get out-of-state bank records and prosecutors may decline to formally extradite such a defendant from that state.)
- If a person has given you a bad check before, **DO NOT ACCEPT ANOTHER ONE** unless the former bad check has been cleared and paid off.
- A current phone number written on the check can be very beneficial to the investigator.

Detecting Fraudulent Checks

- Check the finish on the black magnetic computer numbers on the bottom. True magnetic ink is very dull, not shiny.
- Look for at least one perforated edge on the check. All checks, except some government or computer-produced checks, should have a perforated edge.
- Look for any words or numbers that appear to have been altered. Look for different handwriting, different color ink, or any other suspicious differences.
- Look for changes or additions to the name of the payee. If the color, density or writing of the name appears different, there may have been an alteration.