


## Lawyer – Senior Lab – Off-Site Learning Packet Day 8

### Federal Mail Fraud: Definition & Federal Statute

Cite this lesson 

Mail fraud is a federal crime that is regulated under the Mail Fraud Act. It involves acts of fraud in which the mail system is used to carry out a crime. This lesson will examine mail fraud, laws that prohibit it, and related penalties.

### A Costly Problem

Mail fraud is a serious issue that costs vulnerable citizens millions of dollars. An elderly person who is struggling financially may receive a notice in the mail that, for just a few dollars, he can get the winnings to a sweepstakes he "won." But he will never see a cent. A teenage girl who has been jilted by her boyfriend may receive a letter from a "psychic," telling her that for just a few dollars and minutes of her time, she can find out how to get that boyfriend back. But he's already gone on to someone new.

The use of the mail system to fool someone into giving their hard-earned money to some scammer is against the law. Let's find out how.

### What Is Mail Fraud?

**Mail fraud** is the use of the United States Postal Service, or USPS, to commit an act of fraud, which simply means an attempt to scam someone out of money or services. It also applies to the use of corporate mail delivery systems like FedEx and UPS.

### Something for Nothing

Mail fraud is all about trying to get something for nothing from the person being scammed. It has to be not only deceitful but also actually fraudulent. In other words, false advertising itself is not mail fraud. An unscrupulous sender could send out a mailing to customers claiming it's supported by an agency like the CDC (Centers For Disease Control and Prevention), selling vitamins that are supposed to keep a person from getting the flu. If they've got the vitamins for sale, and the customer gets them after paying for them, it's not mail fraud, even if the CDC has never heard of them.

However, if the sender is sending out a mailing asking a potential victim for money to get the winnings from a supposed "sweepstakes," as in the introductory example, and there is no sweepstakes nor any winnings, that's mail fraud. The sender gets some money from the victim, and the victim gets nothing.

## Intent

In order for someone to be guilty of mail fraud, the person carrying out the act must actually have the intention of committing that fraud. This can usually be proven from the details of the individual case.

## Aiding and Abetting

To be guilty of mail fraud, the guilty party does not have to personally mail the fraudulent material. Anybody who's helping carry out the fraud is also guilty and can be charged and penalized.

## The Mail Fraud Act

The laws that define, regulate and stipulate penalties for mail fraud come from the **Mail Fraud Act**, which was introduced in its original form in 1872. It is currently codified as 18.U.S.C. 1341, 1343 and covers both mail and wire fraud. This U.S.C. code means **United States Code** and is how the official federal statutes are written out, or codified, in law.

In the Mail Fraud Act, the definition of fraud is very broad so that it can cover a variety of creative scamming, since scammers are always coming up with new and ever more sophisticated ideas to steal from their victims.

The Mail Fraud Act makes mail fraud a federal crime, and most of the time, it is prosecuted by the federal government. However, some states, like Arkansas and Michigan, have additional laws that specify penalties for various levels of fraud, the severity of which is usually based on how much money was stolen.

## A Convenient Tool

The Mail Fraud Act is, in practice, more than just a law regulating mail fraud. It's also used as a tool for prosecuting other types of fraud that are much more extensive, because often in the commission of those types of fraud, the mail system is somehow used. If a particular type of fraud is difficult to prove or prosecute, the Mail Fraud Act can be a way of opening the door to a case if, in the course of committing the crime, the mail system was used in any way. Some computer crime can even fall under the category of mail fraud.

## Penalties for Violating the Mail Fraud Act

Violating the Mail Fraud Act carries strict federal penalties in all cases, and in some cases, state penalties as well. If mail fraud has been used in the commission of an even larger crime, it becomes a **predicate offense**, or one that is part of a more extensive offense, like racketeering. In this case, additional penalties can be added.

- Prison - Those found guilty of mail fraud may be sentenced to up to 20 years in prison. Sometimes, if there are specific circumstances, like the involvement of fraud in an emergency relief program or a large financial

institution or bank, the sentence may be as long as 30 years.

- Fines - The fines for mail fraud may go up to \$250,000. Again, in certain circumstances, they can be even higher. If a financial institution is involved, the fines can be as much as a million dollars, and this is usually in addition to prison time.
- Restitution - If a victim of mail fraud lost a specific amount of time from delivering a service or a specific amount of money from paying a perpetrator for something he or she never received, the guilty party may have to pay **restitution**, or damages. The amount depends upon what was stolen in the fraud.

## Lesson Summary

**Mail fraud** is the use of the United States Postal Service, or USPS, to scam someone out of money or services. This also applies to FedEx and UPS.

Mail fraud is not just deceitful but also fraudulent. In other words, the scammer must be trying to get something for nothing. To be guilty of mail fraud, the scammer must also have the actual intention of committing fraud.

The law that governs mail fraud is the **Mail Fraud Act**, which originated in 1872. This law makes mail fraud a federal crime, but states can add additional penalties. The Mail Fraud Act can also be a tool for prosecuting other types of fraud in which the mail system is involved.

Penalties for mail fraud are often steep and can include imprisonment of up to 20 years and fines of up to \$250,000. This prison time and the fines can be even greater in some instances, such as if an emergency relief program or a financial institution is involved.

## Worksheet: Federal Mail Fraud: Definition & Federal Statute

<https://study.com/academy/lesson/federal-mail-fraud-definition-federal-statute.html>

**1. Circumstances that can greatly increase both fines and prison terms for mail fraud are \_\_\_\_.**

- the degree of vulnerability of the fraud victim
- the guilty party having a prior record of similar crimes
- the involvement of fraud in an emergency relief program or a financial institution
- the number of perpetrators involved in the crime

**2. Two elements that must be present in order for a person to be guilty of mail fraud are that \_\_\_\_:**

- the person has the intent to commit fraud, and he or she seeks something for nothing
- the person is the actual party mailing the fraudulent material and he or she is doing this from a federal location
- the person is engaging in false advertising and he or she has a record of past crime
- the person is preying upon a vulnerable population and he or she is using deceptive techniques

**3. Prison terms for mail fraud can be up to \_\_\_\_.**

- fifteen years
- ten years
- five years
- twenty years

**4. The laws that regulate and stipulate penalties for mail fraud originate from the \_\_\_\_:**

- Mail Fraud Act of 1872
- Sarbannes-Oxley law
- Racketeer Influenced and Corrupt Organizations Act
- The Federal Consumer Protection Law

**5. The Mail Fraud Act can be used as a tool for prosecuting other, more extensive types of fraud because \_\_\_\_.**

- all types of fraud have similar elements
- criminals who are guilty of mail fraud are usually the same ones guilty of other kinds of fraud
- in the commission of the more extensive types of fraud, the mail system is often used
- the legal jargon in the Mail Fraud Act is similar to that of other acts regulating fraud