

CHAPTER 17

GIFT CARD THEFT, FORGERY, AND FRAUD — CRIMINAL OFFENSE AND PENALTIES

S.F. 266

AN ACT relating to theft, forgery, and fraud involving a gift card, and providing penalties.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. NEW SECTION. **714.2D Crimes involving gift cards.**

1. As used in [this section](#), unless the context otherwise requires:

a. “*Cardholder*” means any person in possession of a physical or digital gift card issued through a purchase by the person, or received by the person from a willing party.

b. “*Card issuer*” means any person that issues a gift card or the agent of a gift card issuer.

c. “*Gift card*” means a physical or digital card, code, or device that is issued to a consumer on a prepaid basis primarily for personal, family, or household purposes in a specified amount, regardless of whether that amount may be increased or reloaded in exchange for payment, and is redeemable upon presentation by a consumer either at a single merchant, a group of affiliated merchants, or at multiple unaffiliated merchants for goods or services within the payment card network.

d. “*Gift card redemption information*” means information unique to each gift card that allows the cardholder to access, transfer, or spend the funds on that gift card.

e. “*Gift card seller*” means a merchant that is engaged in the business of selling gift cards to consumers.

f. “*Value*” means the greatest amount of economic loss the owner of the property might reasonably suffer including, in the case of a gift card, the full monetary face value or potential value for variable-load gift cards.

2. a. Any person who, with intent to defraud, acquires or retains possession of a gift card or gift card redemption information without the consent of the cardholder, card issuer, or gift card seller commits theft and is guilty of an aggravated misdemeanor.

b. Any person who, with intent to defraud, alters or tampers with a gift card commits forgery and is guilty of an aggravated misdemeanor.

c. Any person who, with intent to defraud, devises a scheme to obtain a gift card or gift card redemption information from a card holder, card issuer, or gift card seller by means of false or fraudulent pretenses, representations, or promises engages in a fraudulent practice and is guilty of the following:

(1) A class “C” felony if the amount of money or value of property or services involved exceeds five thousand dollars.

(2) A class “D” felony if the amount of money or value of property or services involved exceeds one thousand dollars but does not exceed five thousand dollars.

(3) An aggravated misdemeanor if the amount of money or value of property or services involved exceeds five hundred dollars but does not exceed one thousand dollars.

(4) A serious misdemeanor if the amount of money or value of property or services involved is five hundred dollars or less.

d. Any person who, with intent to defraud, uses, for the purpose of obtaining money, goods, services, or anything else of value, a gift card or gift card redemption information that has been obtained in violation of [this section](#) commits theft and is guilty of the following:

(1) A class “C” felony if the value of the property stolen exceeds five thousand dollars.

(2) A class “D” felony if the value of the property stolen is more than one thousand dollars but not more than five thousand dollars.

(3) An aggravated misdemeanor if the value of the property stolen is more than five hundred dollars but not more than one thousand dollars.

(4) A serious misdemeanor if the value of the property stolen is five hundred dollars or less.

3. The value of the retail merchandise received by the person in violation of [this section](#) within any six-month period may be aggregated and the defendant charged accordingly in applying the provisions of [this section](#).

Approved April 18, 2025