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Can ATMs Detect Counterfeit Money?

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The majority of modern ATMs are jam-packed with high-end detection technologies that allow them to identify a fake banknote in a fraction of a second. According to the U.S. Federal Reserve, the chance of getting counterfeit currency from an American ATM is 0.01%. How exactly do machines verify the authenticity of bills, and what to do if you suspect the cash you got from ATMs is counterfeit

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How do ATMs verify banknotes

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denomination, currency and authenticity.

Here is how the validation process goes in ATMs:

1. First, the ATM's validator determines the dimensions of the banknote and scans it in different spectrums: visible, magnetic, IR, UV. It allows to verify all major signs of authenticity.
2. With the help of magnetic sensors, the validator checks the presence and correct location of magnetic ink. Some elements of banknotes are drawn with paint containing ferromagnetic substances.
3. The portraits and pictures on the banknote are compared with an electronic template of the same currency and denomination in terms of size, brightness, contrast, image histogram, etc.

What happens when you try to deposit fake money into an ATM?

Some people are tempted to verify the authenticity of money and deposit it in an ATM out of curiosity. For example, in [April 2022](#), a man from Australia filmed himself putting \$50 and \$100 banknotes into an ATM to make a video for his TikTok account. He witnessed the machine detecting two fake \$100 notes, however, they could just have been dirty or rumpled.

Sometimes ATMs return banknotes that failed to pass verification. In the USA, however, fake banknotes will be removed from your account. You will have to get in contact with the police and explain how and where you got this counterfeit money. If they find out you tried to deposit fake notes willingly, you will face legal actions and can even be jailed.

If you know you have fake banknotes on your hands, please, do not try putting them in an ATM – this is a penal action with serious legal consequences in some countries.

How to spot counterfeit money?

A dollar is a piece of paper stuffed with distinctive features that any person can identify. Let's start with the basics:

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3. All banknotes have watermarks. If you shine light through the banknote (for example, in front of a lamp), you can see them.
4. There are hidden inscriptions in very fine print. You see them when you closely examine a banknote (under a magnifying glass or a microscope).
5. Place a banknote under a light and make sure that the hologram matches the face of the individual depicted. If you see different presidents, you're holding a fake bill in your hands. If you shine light through a real banknote, a thin vertical strip of text containing the note's denomination should appear.
6. There is color-shifting ink on the numerals. If you tilt the bill, you will see that color changes from black to green and back.
7. A security thread can be seen from top to bottom on the front side of the banknote (to the right or left of the portrait).

Could I receive fake money from an ATM?

As we have mentioned, the U.S. Federal Reserve states that the chance of getting a fake bill from an ATM is 0.01%. All banks have a set of security measures in place to detect and confiscate fake money. After that, it falls to the Secret Service to further investigate its origin and the people who printed it.

This means you can rest assured that you get real cash every time you receive it from an American ATM. The only way for a device to accept counterfeit cash is for the latter to be devoid of suspicious signs, however, this must be a truly high-quality fake banknote.

What to do if you get counterfeit money from an ATM machine?

In this case, people have two questions: "Can I get my money back?" and "Can I be accused of faking money?" Let's dig into these in detail.

The answer to the first question is most likely to be "No" because banks have no way of knowing whether you got the cash from their branch offices or ATMs. Even if you have a receipt, it is hard to prove that fake money was actually taken from an ATM and you did not intentionally replace the banknotes. As for the second question, it depends on your relationship with the bank.

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run into problems with the law! Destroying physical evidence of a crime is a mistake because it could help the bank and the police identify and locate the counterfeiters.

So, what can you do?

- Take the cash back to the bank where you got it from. You should have a receipt from the transaction, but if you decided not to print it or have lost it, you will need to provide details of the ATM transaction (time, ATM location and code).
- If you suspect that the fake money came from an ATM that does not belong to any bank, you should contact the police or the Secret Service. Store ATM owners usually deposit money in the machine themselves, so this cash is not protected to the extent it is in banks. Most likely, you will have to participate in the investigation regarding the origin of this money.

While you are still in possession of counterfeit money, store it separately from real cash. Do not try to pass it to anyone else, since it is illegal to handle bills when you know they are fake.

How to get your money back?

First and foremost, you should know that no one gives money-back guarantees in case you receive counterfeit money from ATMs. Neither banks nor law enforcement organizations have to compensate for your losses.

Conclusion

All ATMs are equipped with an electronic sensing eye and other scanning devices in order to detect bogus money. Besides, they record transaction details, personal activity and the user's face using in-built cameras. This means that banks use all available high-end technologies to prevent cheating and protect their customers.

For this reason, you are very unlikely to receive fake notes from an ATM because such money is either not accepted by the machine in the first place (it will show an error message and return the bills) or saved for further investigation (without being sent to the customer's account). However, if you happen to receive fake

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What do you call fake money?

This includes any bill that was printed by anyone but the U.S. Treasury's Bureau of Engraving and Printing, or any coin produced NOT by the U.S. Mint. This money can be printed only after securing the government's consent. Dollars created by anyone else are not official US money, therefore it is fake cash. Real cash has specific signs of authenticity (watermarks, color-changing paint, engraving, etc) which bogus bills may not have.

Can counterfeit money work?

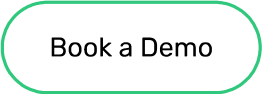
Masterly imitated money is usually exploited to make payments in cash – criminals prey on people who don't pay attention to the signs of forgery. However, if you try to deposit fake bills into ATMs, there is a high chance that they will not be accepted. Worst case scenario: you will find yourself in hot water with your bank or the police if they find out you willingly used counterfeit money.

Is it illegal to buy fake money?

Yes, buying fake money is illegal, but a person will face legal charges only in case he or she tries to use these bills instead of real ones.

What do I do if I receive counterfeit money?

Do not try to get rid of the fake bills, use them or pass them on to someone else. The best thing you can do is to keep the notes (store them separately from genuine cash), and contact the bank that works with the ATMs that gave you this money. Or you can report receiving fake currency to the police.



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