

UNCLAIMED PROPERTY

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Overview

- Consumer Protection
- Intangible Assets
- No Time Limit to Claim
- No Fees to Claim
- www.ClaimItTN.gov
- www.ReportItTN.gov
- Property Received:
 - FY2022 - \$128.8 Million
 - FY2021 - \$115.4 Million
- Claims Paid:
 - FY2022 - \$57.6 Million
50,345 Claims
 - FY2021 - \$60.0 Million
52,584 Claims



What is Unclaimed Property

- Definition-Intangible personal property that has gone unclaimed by the rightful owner after a specified period.



Key Terms

- Property Type
- Dormancy Period
- Due Diligence
- ReportItTN.gov
- Priority Rule: TX vs NJ



Legal History and Implications



Escheat

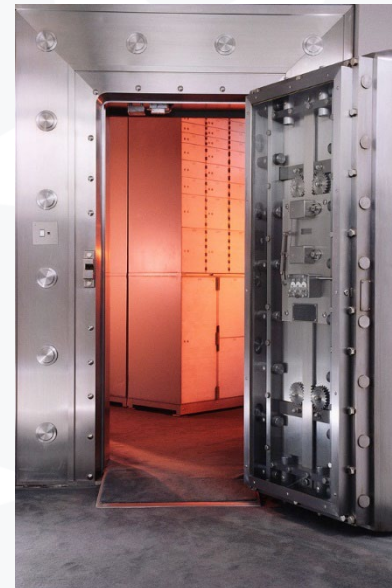


*Hea! Ye, Hea! Ye,
be it declared that
any land that dost
have no claimant,
shall be given to
the lord of the
manor.*

The old British
common law
practice where
land with no
owner was
turned over to
the lord or king
of the manor.

21st Century

States are custodial in nature and not a true escheat.



Which state do I need to report to?

Priority rule was established and upheld by these three supreme court cases.

- Texas v New Jersey, US Supreme Court, 379 US 674 (1965).
- Pennsylvania v New York, US Supreme Court, 407 US 206 (1972).
- Delaware v New York, US Supreme Court, 507 US 490 (1993).

Priority Rule - Summary



- Concepts well established because of these three Supreme Court Cases.
- Holder is obligated to report to all states and is not confined to situations where the holder is authorized to do business or where they transact business in a state.



Incidental Property: 10 or fewer
properties valued at \$1,000 or less

Summary of the process

- Determine your liability
- Due Diligence
- Create your report
- ReportItTN.gov



Determine your liability

- Review your outstanding checks
- Checks that have been written off?
- Internal - Payroll
- External - Customer Refunds, Vendor Checks
- 3rd Party Agents



Activity

- Property is not presumed abandoned if the apparent owner indicates an interest in the property during the dormancy period.

Under TCA 66-29-113 provide specific examples of what constitutes activity or interest in the property.

Common question: What if I reissue the check?

Due Diligence

- For all property \$50 and greater
- No sooner than 180 days
- Must wait at least 60 days before reporting
- Must give owner 30 days to respond
- May send electronic mail, if no response must send first-class letter



Due Diligence

Must contains specific info: *“Notice: The State of Tennessee requires us to notify you that your property may be transferred to the custody of the Treasurer if you don not contact us within thirty (30) days of this notice.”*

1. State that the property will be turned over to the Treasurer;
2. State that, after the property is turned over to the Treasurer, an apparent owner that seeks return of the property must file a claim with the Treasurer;
3. Identify any owners of the property;
4. Identify the nature and , except for property that does not have a fixed value, the value of the property that is subject of the notice;
5. State that the property which is not legal tender of the United States may be sold by the Treasurer; and
6. Provide instructions that the apparent owner must follow to prevent the holder from reporting and paying or delivering the property to the Treasurer.

Create your report

- Must be an approved NAUPA file
- Software: Free or \$\$\$
- Create your own file
- Contains list of property and who it belongs too

ReportItTN.gov

- Upload your file here
- Pay through this web portal
 - ACH Debit
 - ACH Credit
- Online instructions / tutorials
- Just Say No to “Mail”





Creating a User Account

Report Unclaimed Property

Welcome to Report It TN, the Tennessee Unclaimed Property online reporting portal. We have created this online portal to simplify, increase efficiency and improve the security of the data you are reporting. We want to thank you for your support and cooperation in using this tool, which has proven to be successful in reuniting owners with their missing property.

For additional information on Tennessee's Unclaimed Property program you can click on the link [Unclaimed Property Home](#).

If you need assistance using this online reporting portal you can click on the link [FAQs & Tutorials](#) for answers to the most common questions and step by step instructions on how to

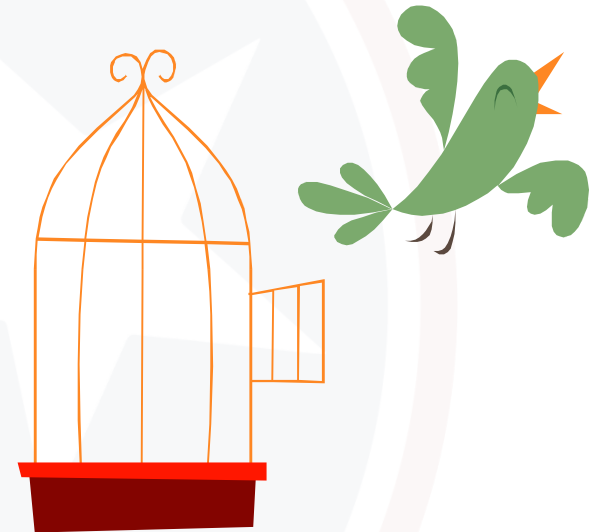


Register Now »

CDA

Compliance Disclosure Agreement

- Contract between holder and state
- Must not already be selected for audit
- Must provide scope and review technique
- 7 hard years vs 10 reporting years



Claims: What happens after you report

State Efforts to Locate Missing Owners

- SSN match with the Division of Workforce and Labor
- Internet
- Fairs and Festivals



- Letters to last known address
- Match with other databases
- Advertising
- Social Media

LOCAL GOVERNMENT REFUND

Are you aware that there is a provision to allow the Unclaimed Property Division to return what was reported back to the local government?

- County must file a resolution by June 1st requesting the funds back
- Must wait 18 months before we can return the funds
- Any property not returned to the owner may be returned to the local government minus an admin fee.
- The local government must still pay the owner if they come forward the full amount.

Resources

<https://www.treasury.tn.gov>



Questions ?

Did you know that
banging your
head up against
a brick wall
also burns
150 calories per hour?



someecards
user card

BANG HEAD HERE

