

WELC



ME

UNCLAIMED PROPERTY 101

WHAT HOLDERS NEED TO KNOW!

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What is Unclaimed Property?

Any money or other financial asset that has remained unclaimed by the owner for a specified number of years.

Example: A check that was not cashed or an account that has been accessed by the owner.

COMMON TYPES OF UNCLAIMED PROPERTY

- Payroll checks
- Accounts payable checks
- Refund checks
- Cashier's checks
- Insurance proceeds
- Securities
- Oil royalties
- Money orders
- Accounts receivable credit balances
- Utility deposits
- Bank accounts
- Travelers checks
- Safe deposit box contents



Business Requirements

- **Why are businesses required to report Unclaimed Property?**
- **The Louisiana Department of Treasury UCP attorney will explain...**



The Legal Side of Unclaimed Property

All 50 states plus US territories have UCP laws

Louisiana law – property presumed abandoned per 9:154

L.R.S 9:156 describes the rules for taking custody

L.R.S. 9:159 holder “Shall make a report”

L.R.S 9:160 upon filing the report, the holder “Shall pay”

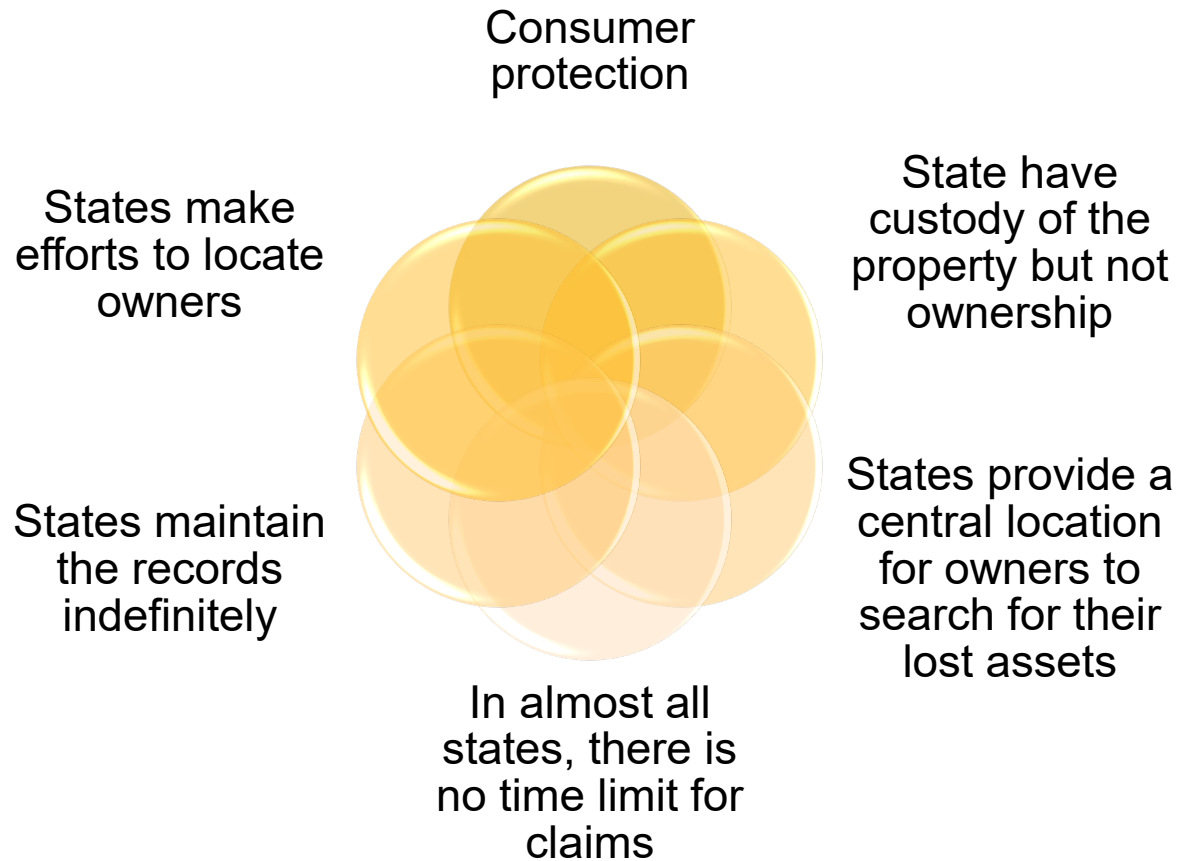


The Purpose of Unclaimed Property

- **Who benefits from
Unclaimed Property laws?**
- **Why do these laws exist
in every state?**



OWNERS OF UNCLAIMED PROPERTY BENEFITS



HOLDERS BENEFITS

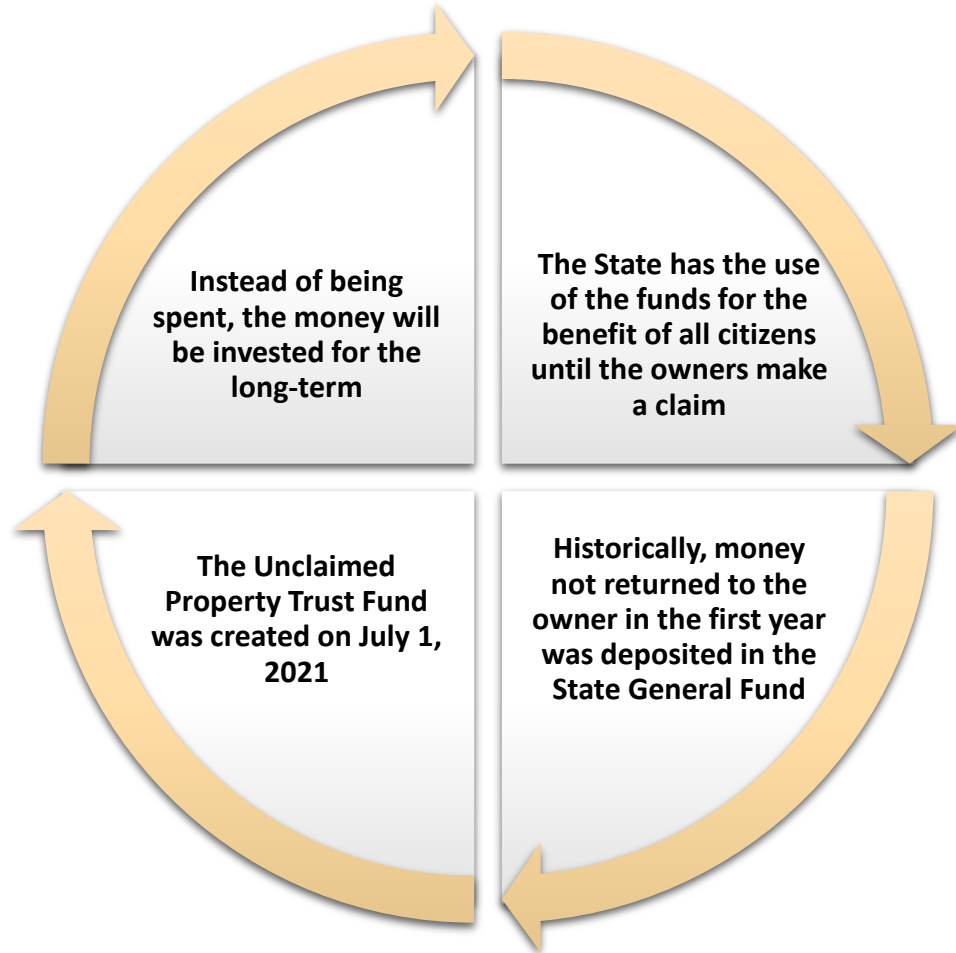
The obligation is removed from the company's books and records forever

The liability is transferred to the state

The holder is indemnified



CITIZENS BENEFITS



**Are there any misconceptions about
Unclaimed Property?**

Misconceptions

1. My organization does not have any unclaimed property...

False: practically ALL companies have unclaimed property liability.



Misconceptions

2. Unclaimed property reporting is voluntary...

Reality: Unclaimed property compliance is required under Louisiana law.



INTEREST AND PENALTIES

- A. Interest at the rate provided in L.R.S. 13:4202 (judicial interest rate)
- B. Penalty of \$200 per day up to a maximum of \$5000
- C. Penalty of \$1000 per day up to a maximum of \$25,000 if the holder willfully fails to report, plus 25% of the value of property that was not reported
- D. Penalty of \$1,000 per day up to a maximum of \$25,000, if the holder files a fraudulent report, plus 25% of the value of property that was not reported
- E. The administrator may waive interest and penalties



Misconceptions

3. My organization is only required to report to our home state...

Reality: You are required to report and remit to the state of the owner's last known address.



What are your responsibilities?

1. Identify potential items
2. Determine the appropriate jurisdiction
3. Know the laws of the reporting state
4. Apply the appropriate holding period
5. Perform due diligence
6. Report and remit properly



1. Identify potential Unclaimed Property

- Look for dated/outstanding liability or obligation
- No owner-generated activity
- The owner has not otherwise indicated an interest in the item or account



2. Which state? Unclaimed Property laws vary

- Dormancy periods
- Due diligence requirements
- When to report
- How to report



3. Research the laws of the reporting state

- Visit the National Association of Unclaimed Property Administrators (NAUPA) website for links to all states
- Unclaimed.org


A Network of the National Association of State Treasurers

NATIONAL ASSOCIATION OF UNCLAIMED PROPERTY ADMINISTRATORS

About Learn Find and Claim Report Membership Contact


Report Unclaimed Property (for Businesses)
State-by-State Reporting Information

Search and filter by state or property type: [View all states at a glance](#) [Select a state](#) [Select a property type](#)




Alabama

Alabama State Treasury
Unclaimed Property Division
Director: Chad Wright, Unclaimed Property Division Director
Office phone: (334) 242-9614
Unclaimed Property website: <https://alabama.findyourunclaimedproperty.com/>
Reporting website: <https://alabama.findyourunclaimedproperty.com/app/reporting-guidelines>
[View full information](#)



Alaska

Alaska Department of Revenue, Treasury Division
Unclaimed Property Division
Director: Nic Dehart, Unclaimed Property Manager
Office phone: (907) 465-5886, fax (907) 465-2394
Unclaimed Property website: <http://treasury.dor.alaska.gov/Unclaimed-Property.aspx>
Reporting website: <http://treasury.dor.alaska.gov/Unclaimed-Property/Reporting-Unclaimed-Property.aspx>
[View full information](#)



Alberta

Alberta Treasury Board and Finance
Unclaimed Property Division
Director: Phyllis Phan CPA, CMA, Manager, Unclaimed Property
Office phone: 780-427-3044
Unclaimed Property website: <https://www.alberta.ca/unclaimed-property.aspx>
Reporting website: <https://www.alberta.ca/unclaimed-property.aspx#toc-5>
[View full information](#)



4. Property Dormancy Period

- Determines when property becomes unclaimed
- Refer to L.R.S. 9:154



Dormancy Periods

One Year

- Utility deposits
- Wages, payroll, salary
- Court-ordered refunds
- All property held by a government or governmental subdivision

Two Years

- Royalties
- Mineral proceeds
- Insurance demutualization

Three Years

- Life Insurance proceeds
- Money or credits owed from a retail transaction
- Stock and dividends
- Gift certificates



Dormancy Periods

Five Years

- Demand, savings, or matured time deposits
- Bank money orders
- Cashier's checks
- Gift certificate
- Checks, drafts or other similar instruments
- All other intangible property



When does the dormancy period begin?

- The date of an outstanding check
- The last owner-generated activity on an account



What constitutes activity?

- A customer-generated deposit or withdrawal
- A one-time or recurring ACH transaction that is authorized by the account owner
- The accessing of a deposit account by the owner through the website or other restricted electronic access point of the financial institution
- A phone call from the customer if the customer has properly identified themselves and the call is documented in the holder's records



What does not count?

- Automatic crediting of interest or dividends
- Unrelated purchases or charges
- Unrelated payments
- An undocumented phone conversation
- A phone conversation with a third party



For bank accounts– tracking returned mail is critical

- Per L.R.S. 9:154 (A) (4), “no property under this Paragraph shall be presumed abandoned if a banking or financial organization has forwarded a statement or other written communication to the owner within the preceding 90 days with regard to the property at the owner’s last known address and the statement or communication has not been returned to the banking or financial organization as undeliverable...”



Subsequent returned mail –does the dormancy clock start over?

- No – the date of last activity remains the same
- The account is immediately reportable upon statements being returned



5. Perform Due Diligence

- Researching out to apparent owners of dormant properties
- Why?
 - To keep customers
 - To minimize poor customer service reviews
 - Is it the law

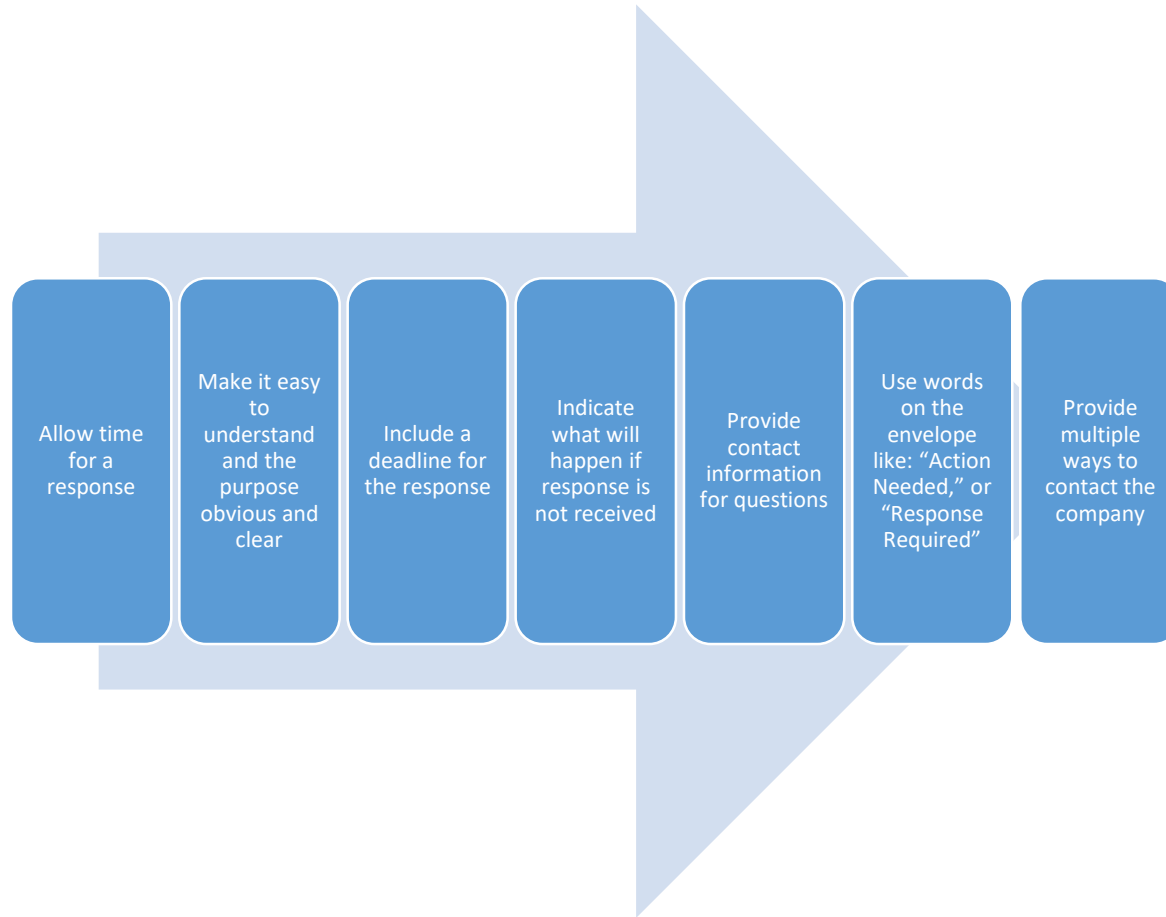


Due Diligence requirement

- L.R.S. 9:159 (E) mandates a written notice not more than 120 days nor less than 60 days
- July 1, 2021 – August 31, 2021
- Items \$50.00 and greater
- If the address is not known to be inaccurate – returned mail indicates an inaccurate address



Tips for Effective Due Diligence



Outreach Letter

John Doe
123 Main Street
Anytown, LA 70000

Re: Account Number xxxxxx1234 Balance \$1000.00

Our records indicate that there has been no activity in the above-referenced account for more than five (5) years. This account is now considered dormant and will be presumed abandoned. If you are the owner of this account, please contact us immediately for instructions on reactivating the account or receiving the funds.

Bank Name: _____

Bank Address: _____

Telephone Number: (888) 123-4567

If we do not hear from the owner before (insert response deadline), these funds will be remitted to the Louisiana Unclaimed Property Division on October 31, in accordance with Louisiana law.

Please take a minute to call us at (888) 123-4567 to claim your property or indicate how you wish to handle the account.

If we do not hear from you and the account is transferred to the State, you may file a claim on the State's website at www.latreasury.com, or by calling (888) 925-4127. **Please allow 3-4 weeks processing time after October 31 before contacting the State.**

We hope to hear from soon and we would love to retain you as a bank customer.



6. Prepare and submit your report

- An electronic file is required
- NAUPA standard file format
- Many vendors for Unclaimed Property Reporting Software
- Use your own in-house program



Why do we require electronic reports?

Security

No personal identifying information sent by mail

Secure upload to Treasury's online portal

We don't touch the data

Accuracy

Manual data entry not required

No opportunity for human error

Speed

Reports load into our system seamlessly

Payments applied and reports reconciled automatically

Items available for owners' to claim within days



What information to include?

- Account number or check number, if applicable
- Date of last activity or check date
- Type of property (list of codes provided)
- Amount
- Interest bearing Y or N and interest rate
- Owner name(s)
- Last known address
- Social Security number
- Date of birth (if known)
- Owner relationship for multi-owner accounts (list of codes provided)
- Is the owner an individual or a business



Social Security Numbers required per L.R.S. 9:159

- A. A holder of property presumed abandoned shall make a report to the administrator concerning the property.
- B. The report shall be verified and shall include all of the following:
 - (1) Except with respect to a traveler's check or money order, the name if known, and last known address, if any, and **the social security number or taxpayer identification number, if readily ascertainable**, of the apparent owner of property of the value of ten dollars or more.



Interest-Bearing Accounts

Critical information

Yes or No question

Provide the current interest rate

L.R.S. 9:163 – state will pay interest to claimants if an account is flagged for interest



VERIFICATION REPORT

OFFICIAL VERIFICATION OF REPORT

I, _____, hereby declare, under penalty of perjury, that to the best of my knowledge and belief, the following documentation contain a full, true, and complete report consisting of ____ page(s) totaling \$_____ regarding to the property presumed abandoned, remitted with this documentation, under the provisions of La. R.S. 9:151-181 as of _____, ____.

I further declare that this documentation contains complete and accurate information pertaining to the interest-bearing nature of all properties, remitted with this documentation contained therein. Specifically, I acknowledge and declare that this report accurately reflects whether each unit of remitted property, listed in the attached documentation, bears interest or is not interest bearing. I understand and acknowledge that failure to designate a remitted unit of property as bearing interest is equivalent to an express statement that such property is not interest bearing.

Signature of Official

Title

Date



FILING A REPORT



JOHN M. SCHRODER
LOUISIANA STATE TREASURER

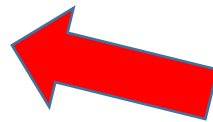
IMPORTANT NOTICE: Because of the pandemic, please do not visit in person to check for Unclaimed Property. [Click Here](#) to search online or call us toll-free at 1-888-925-4127.

[John M. Schroder](#) [Main Street](#) [Unclaimed Property](#) [Divisions](#) [State Bond Commission](#) [Transparency](#) [More](#)



**UNCLAIMED
PROPERTY**

TRANSPARENCY



www.latreasury.com





LOUISIANA

UNCLAIMED PROPERTY

CLAIMING
PROPERTY

REPORTING
PROPERTY

ABOUT

WE HAVE RETURNED
MORE THAN:

\$603,400,689

Click below to see if there is any
unclaimed property owed to you


GET STARTED

John M. Schroder
State Treasurer



WELCOME TO THE LOUISIANA
STATE TREASURER'S
UNCLAIMED PROPERTY PAGE





LOUISIANA
UNCLAIMED PROPERTY

CLAIMING
PROPERTY

REPORTING
PROPERTY

ABOUT

WE HAVE RETURNED
MORE THAN:

\$647,177,327

Click below to see if there is any
unclaimed property owed to you

GET STARTED

John M. Schroder
State Treasurer

Submit a Report

Submit a Payment

Outreach Response

Reporting Guidelines



www.latreasury.com



LOUISIANA
UNCLAIMED PROPERTY

CLAIMING
PROPERTY

REPORTING
PROPERTY

ABOUT

SUBMIT A HOLDER REPORT:

I have created my NAUPA report

If you have already created your NAUPA report and simply need to submit it, click the button below.

UPLOAD A REPORT

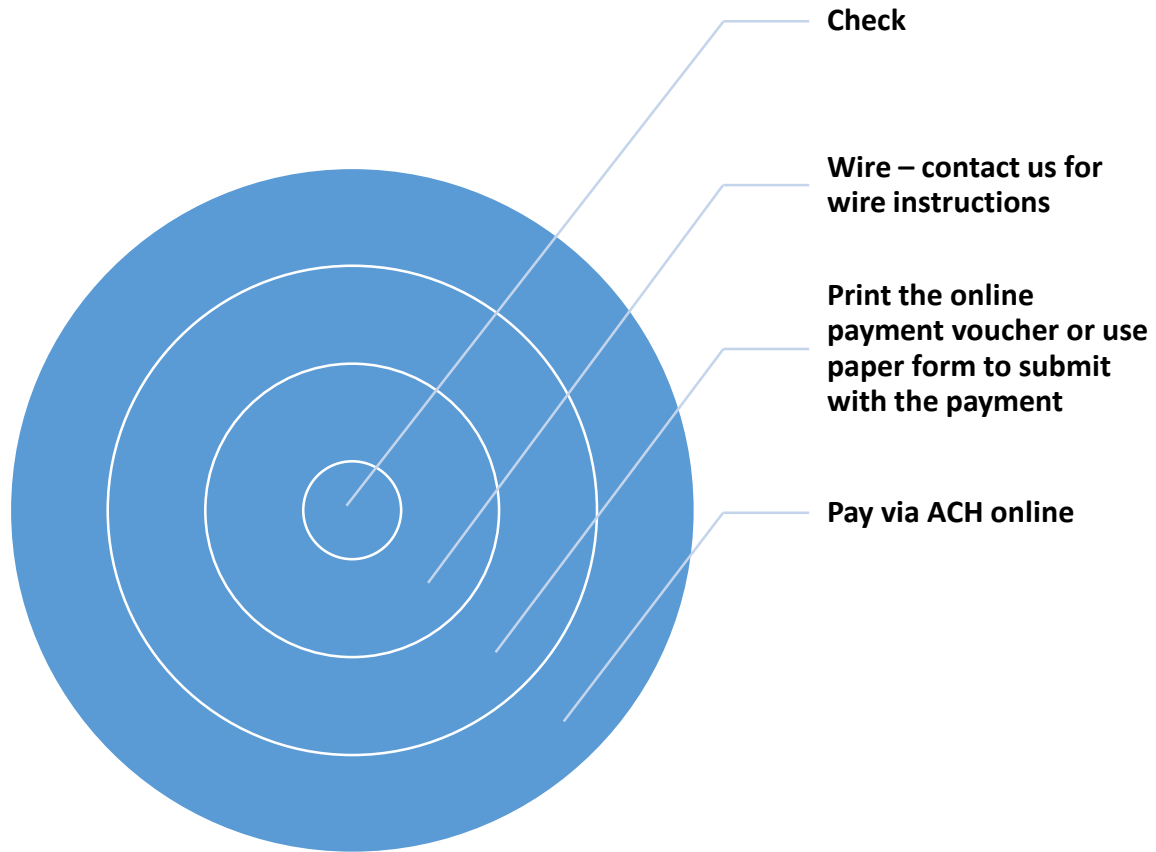
I need to create a report

If you do not have access to reporting software and wish to create a manual report, click the button below. Once you click the button, you will be redirected to another tab to manually enter each owner and property.

ENTER A MANUAL REPORT



PAYMENT METHODS



SUBMITTING A PAYMENT



LOUISIANA
UNCLAIMED PROPERTY

[CLAIMING
PROPERTY](#)[REPORTING
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State Treasurer

[Submit a Report](#)[Submit a Payment](#)[Outreach Response](#)[Reporting Guidelines](#)




PAYING ONLINE IS EASY!

[◀ HOME](#)

HOLDER PAYMENT

LOUISIANA
UNCLAIMED PROPERTY



[◀ PREV](#)

PAYMENT INFORMATION

[NEXT ▶](#)

SEARCH FOR REPORT

Our company ID for ACH payments has changed! Please use the correct number 9643613001.

To search for a report, enter a Tax Identifier into the Tax Identifier field at right and click Search. Select the report that you wish to pay. Please note that this portal can only accept payments for reports submitted through this website after 09/20/2017. If your report was submitted previously, you will have to pay by other means.

Tax Identifier:

SEARCH

Date Submitted	Holder Name	Amount	Select
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www.latreasury.com



COMMON REPORTING ERRORS—FILE WILL REJECT

Incorrect file format – system will not accept

Blank owner name

Missing date of last transaction

Invalid owner relationship codes

Invalid property type codes



COMMON DATA INTEGRITY ISSUES

Missing critical data (SSN, last known address)

Incomplete owner name

Incorrect designation individual or business

Incorrect owner relationship – who can claim (“and” relationship vs. “or” relationship)

Data in wrong fields



BEST PRACTICES 1

- Develop and maintain detailed processes and written procedures for tracking and reporting unclaimed property
- Institute a system with dual controls to prevent internal fraud
- Track accounts that become dated throughout the process, don't wait until the holding period has run (maintain contact with your customers)
- Monitor changes in unclaimed property laws



BEST PRACTICES 2

- Provide all required information
 - Full name and last known address (if known) for all owners
 - Social security number or Tax ID
 - Date of birth
 - Last transaction date
- Use correct property, owner and relationship codes
- Review reports thoroughly prior to submission for accuracy and completeness

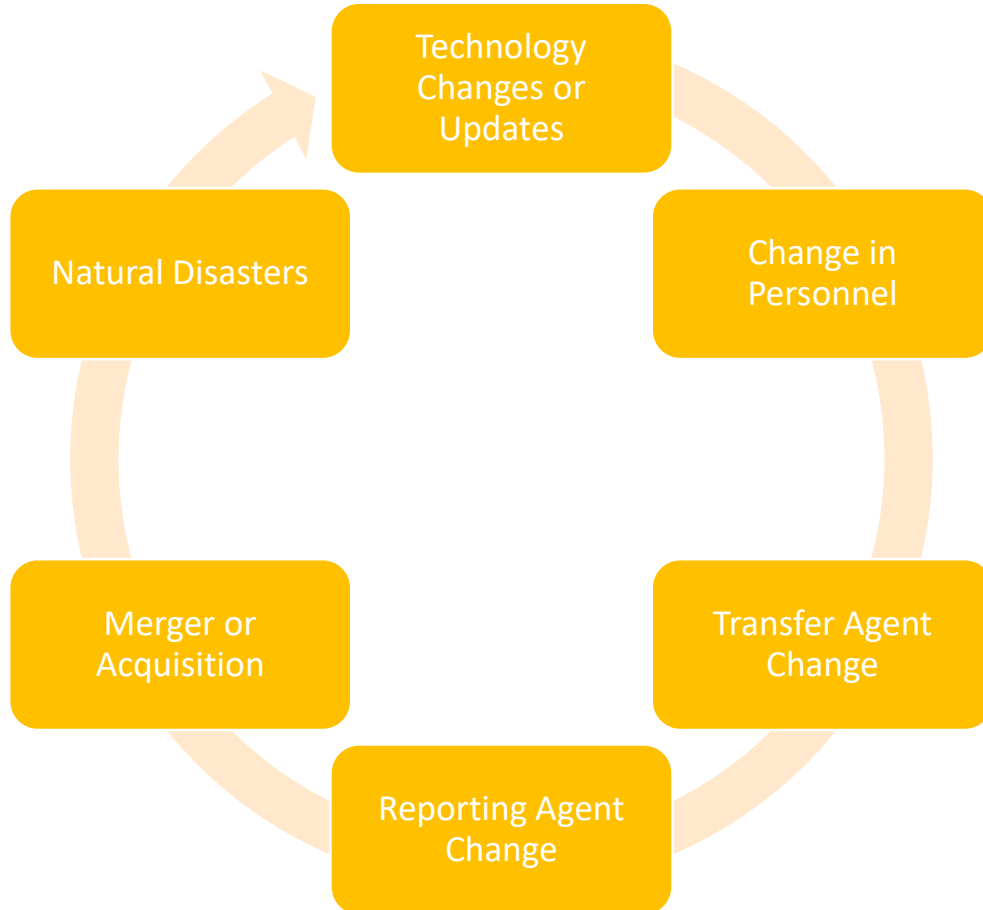


BEST PRACTICES 3

- Check your list for known individuals
- Be sure the amount on the report and the amount of the payment match
 - One report for all of the property being reported
 - One check or electronic payment for all cash property on the report
- Provide contact information for the person who can best answer questions about the report



DUE DATE: OCTOBER 31 NEED AN EXTENSION?



What if an item is reported by mistake?

- Treasury will reimburse you for two situations:
 1. Reported in error
 2. Owner has been paid – Holder Reimbursement Claim



Property reported in error

- An error is a property that has been improperly reported to the state
 - Item had been voided and reissued in another check
 - It was determined that the payee was not entitled
 - The dormancy period had not expired



Holder Reimbursement Claims

- Check cleared after report filed
- Owner contacts and holder chooses to pay
- Contact Unclaimed Property to prevent double payment
- Holder Reimbursement Claim Form available on website



YOUR COMPANY AS THE OWNER!

We pay claims to
businesses

Search the website
www.la.treasury.com
for your company
name



QUESTIONS?

