



Office of the State Treasurer Unclaimed Property Division

Businesses Play Key Role in Success of Unclaimed Property Program

Our effort to reunite Vermonters with their money is on two fronts. We work with businesses to assist them in turning over financial property in a timely fashion in order to more quickly return funds to the rightful owner. We also work to notify residents about the Unclaimed Property Program to urge them to routinely check for funds.

The Treasurer's Office could not return funds to the rightful owner if it did not receive lost or unclaimed property from the holders of the property. Typical holders of unclaimed property include financial institutions, employers, utility companies, insurance companies, retailers, corporations and governmental agencies throughout the United States. Vermont's firms have largely complied, on a voluntary basis, with State statutes relative to unclaimed property. The Unclaimed Property Division collected approximately \$8.4 million in unclaimed property in fiscal year 2011. More than a thousand new holders were also added to the unclaimed property system as businesses willingly complied with State statutes and surrendered property to the Treasurer's Office.



What is Unclaimed Property?

Unclaimed property can be divided into two categories: securities-related property and general ledger property. Examples of general ledger property include wages, account credits, uncashed checks, utility deposits, patient refunds, and insurance proceeds. Securities-related types of unclaimed property include stocks, dividend payments, interest, and bonds.



Vermont's Unclaimed Property Law Provisions

The Vermont Unclaimed Property Act (V.S.A. Title 27, Chapter 14) protects unclaimed property until it is returned to its rightful owners or their heirs. The Vermont State Treasurer acts as custodian of the property and administers a program to locate the owners. Once reported to the Unclaimed Property Division, unclaimed property is available for refunds to the owners or their heirs. Businesses and other organizations are required by law to review their records each year to determine whether they hold any funds, securities, or other property that have remained unclaimed for the required abandonment period. Holders file an annual report and transfer the property to the State. The holding period before property is considered unclaimed varies by the type of property. Businesses must report unclaimed property to the State of Vermont if:

- The owner's last known address is in the State of Vermont;
- The address of the owner is unknown and Vermont is the state of incorporation;
- The property is not reportable to another state and the property transaction took place in Vermont.

Did You Know?

The Treasurer's Office has instituted a *Voluntary Compliance Program*. The program allows holders who have not surrendered property in a timely manner to come forward and voluntarily submit to a process of disclosure and remitting of unclaimed property funds—avoiding costly audits, fines and penalties. This incentive to voluntarily comply has been quite successful, with 24 holders signing agreements in the 2011 fiscal year. To date, an estimated \$2,043,152 has been remitted to the State as a result of the program.





Who Must Report Unclaimed Property?

All businesses are responsible for filing reports on behalf of their branches, divisions or other affiliated entities. Third-Party Administrators (TPAs), recordkeepers and paying agents are not obligated to report unclaimed property on behalf of a company, but may enter into agreements with the company to do the reporting. These agreements **do not** relieve the business of its statutory responsibility. The following is a list of the types of businesses required to report unclaimed property.

Banking & Financial Organizations

- State & Federal Banks
- Trust Companies
- Savings Banks
- Savings & Loan Associations
- Credit Unions
- Investment Companies

Utilities Owned or Operated for Public Use

- Communications
- Electricity
- Gas
- Water
- Steam
- Solid Waste Collection

Business Associations Wherever Located, Domiciled, or Incorporated

- Corporations
- Joint Stock Companies
- Partnerships
- Business Trusts
- Cooperatives
- Insurance Companies

Other Legal Entities

- State, County & City Governments
- Public Corporations
- Nonprofit Organizations
- Estates
- Trust or other Legal or Commercial Entities

Contact Information

The Unclaimed Property Division of the State Treasurer's Office can be reached:

By Phone

802-828-2407 or

toll-free in Vermont 1-800-642-3191

By Mail

UPD, 109 State Street, Montpelier, VT
05609-6200

By E-mail

UPCompliance@state.vt.us

unclaimedproperty@state.vt.us

Web Site

www.VermontTreasurer.gov



What to Report and When to File

The Property Types section in the Unclaimed Property Manual provides examples of the types of property that are reportable as unclaimed property. Unclaimed property must be reported whether due to a Vermont resident or to a corporation. Vermont businesses should report unknown owners, items with no address, and property where the last known address of the owner is in a foreign country. Except for Vermont businesses reporting via reciprocity agreements, unclaimed property should be reported to the state of the owner's last known address. Traveler's checks and money orders are reportable to the state where they were purchased. Reports are due to the Unclaimed Property Division from all holders before **May 1** each year. Businesses must include all property that has remained unclaimed for the required dormancy period, as of the preceding December 31 of the current reporting year. Please consult the "Important Filing Dates" table in the Unclaimed Property Holder Manual to identify property eligible for reporting.



Important to Know

There is no time limit for a rightful owner to reclaim his or her financial property. Each year the Treasurer's Office makes significant efforts to locate the owners of unclaimed property. These efforts include advertising, issuing press releases, and participating in fairs and forums. The office also maintains a searchable online owner database at **www.MissingMoney.Vermont.gov**. Toll-free inquiries from within Vermont about unclaimed property may be made to 1-800-642-3191. Unclaimed property owners are never charged to recover their property. Also, business owners and managers should take note that businesses are covered against liability on claims for reported property.