

# VERMONT VOLUNTARY COMPLIANCE PROGRAM

## **Overview**

Every business entity is required to report unclaimed property assets to the State of Vermont annually. As an ongoing effort to promote compliance with the Unclaimed Property Law, The State Treasurer's Office has established a Voluntary Compliance Program, which is available for the holders that have not been in compliance with the Unclaimed Property Law, but want to become compliant. The Voluntary Compliance Program is a one-time unique opportunity for Holders to come forward to report their unclaimed property liability without any penalties and interest being assessed.

## **General Guidelines**

### **□ Eligibility**

Any Holder who wants to comply with the Vermont Unclaimed Property Law is eligible to file a Voluntary Compliance Agreement, **except** when:

- A holder is currently under the Unclaimed Property examination;
- A holder, which includes any subsidiary and all related parties, has been contacted by the State Treasurer's Office or the third party, acting on behalf of the State Treasurer's Office of its intent to conduct an unclaimed property examination.

### **□ Look Back Period**

The Holder shall complete a review of its books and records looking back a full 10 years, file their report beginning with the calendar year **2002**, report year **2005**, as well as for all subsequent report years, and pay over all unclaimed property due to the State of Vermont for those years. Should records not be available for the full 10 year period, an extrapolation and statistical sampling methodology must be utilized for the missing years.

### **□ Duration of Program**

Under a Voluntary Compliance Agreement, a holder receives six months to complete its review, to perform due diligence and to file the report. Six month period extends from the date the authorized representative of the Division approves and signs the agreement.

### **□ Examination Provision**

The State of Vermont reserves the right to audit a Holder issued a Voluntary Compliance Agreement. Interest and penalty may be assessed pursuant to §1264 of the Vermont Unclaimed Property Law on all unclaimed property due for all reporting years, if it is determined that the property reported under a Voluntary Compliance Agreement is materially under-reported. The State of Vermont reserves the right to fully audit the Holder in such case.

### **□ Enrollment**

1. A holder, considering participation in the Voluntary Compliance Program, should request a "Voluntary Compliance Agreement" by mail, fax or e-mail.

Vermont Unclaimed Property Division  
109 State Street  
Montpelier, VT 05609-6200  
Fax: 802-828-2884

□ **Steps In Brief**

Holder's request to participate shall contain **all** of the following:

- Holder's name, type of business, and primary address
  - List of all subsidiaries and all related party entities participating in the VCP
  - Federal Employer Identification Number for each entity participating
  - Holder contact information
2. Upon confirmation of the eligibility of your company to participate in the Voluntary Compliance Program, the Voluntary Compliance Agreement and General Business Questionnaire will be mailed to your designated authorized representative. The Original completed agreement and questionnaire must be signed by an authorized officer of your organization.
  3. Once the original completed and executed Agreement and General Business Questionnaire are returned to the Vermont Unclaimed Property Division, the Agreement will be reviewed and, if approved, signed by an authorized representative of the Division. The holder will then be furnished the special "VCA Unclaimed Property Annual Compliance Report and Verification Checklist - Cover Sheet" with the report due date printed on the top of the front page. The holder must submit the completed "VCA Unclaimed Property Annual Compliance Report and Verification Checklist – Cover Sheet" with the Holder Report by the indicated due date in order to avoid assessment of any penalties and interest.
  4. The State reserves the right to assess interest on any liability being reported under this Voluntary Compliance Agreement, if the Agreement has not been received or an extension has not been granted within the six-month period.

**Important Agreement Considerations**

- The Voluntary Compliance Agreement **may not** be altered without written consent of the State.
- The "Original" completed and executed Voluntary Compliance Agreement must be returned along with the completed business questionnaire to the Vermont Unclaimed Property Division.
- The State of Vermont reserves the right to audit a holder of a Voluntary Compliance Agreement after the holder has filed their report and paid over property under the Voluntary Compliance Agreement.
- The State of Vermont reserves the right to deny or void the Voluntary Compliance Agreement if a holder does not adhere to the Program policies and procedures.