UnclaimedProperty
PROFESSIONALS ORGANIZATION

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Date: December 22, 2014
RE: UPPO Submission to Recorder Trost
Item 1 of 5: Early Reporting and Remitting

Supplemental to UPPO Submission of October 8, 2014
Early Reporting and Remitting

In certain instances, it may be in the best interest of the parties – owner, holder and the state – to allow the holder to report and remit property to the state prior to the running of the full abandonment period (e.g., reporting and remitting property with a five year abandonment period to the state three years after the property became due and payable). These instances may arise, for example, where the owner is unknown or the holder is ceasing to do business. By allowing certain property to be reported early, this will assist with protecting and preserving the owner's property along with allowing the holder to reprieve the unclaimed property liability from its books and records early in order to avoid the administrative burden of tracking the balance until the dormancy period ends.

UPPO believes that early reporting and remitting should be left to the discretion of the holder. However, UPPO advocates recommend that early reporting and remitting should not be permitted for property with a value that is subject to fluctuation (e.g., debt and equity securities, mutual funds, interest bearing accounts, etc.) unless there is a guarantee by the state to pay the current market value for claims submitted prior to the running of the full abandonment period. Furthermore, the state should be required to hold the early OR reported property in its remitted form until a claim is submitted or the full abandonment period has run the statute should extend the release of holder liability to the property remitted early. To assist the state, holders should be required to identify to the state administrator, all property being reported and remitted early