

Require unused gift cards to be reported as unclaimed property after three years

Description This proposal would require businesses that have issued gift cards and certificates to report them to the Department as unclaimed property, along with the funds associated with those cards, when they are unredeemed for more than three years.

Current Law

- Intangible property that is unclaimed for more than three years is presumed abandoned. Once abandoned, it must be reported to the Department.
- Typical unclaimed property includes bank accounts, insurance proceeds, stocks, bonds, security deposits, and uncashed checks.
- The state:
 - maintains custody of the abandoned property in the General Fund; and
 - may use the funds for state purposes while held for the owner.
- In 2004, legislation was enacted to:
 - prohibit businesses from including expiration dates on gift cards and certificates in most cases; and
 - exclude most gift cards and certificates from the unclaimed property laws.

Revenue Impact
(\$ millions)

Fiscal Year 2012	Fiscal Year 2013	2011-2013 Biennium
\$0	\$7.1	\$7.1

Notes:

- *Estimates assume a July 1, 2012 effective date, representing 11 months of collections for FY 2013.*
- *Estimates reflect the September 2011 revenue forecast by the Forecast Council.*

Expenditure Impact

Fiscal Year 2012	Fiscal Year 2013	2011-2013 Biennium
TBD	TBD	TBD