

## YOUR RIGHTS AND RESPONSIBILITIES

### Your rights as a business include:

- Simple and prompt process for filing reports and claims
- Timely, fair, and equitable treatment
- Accurate written information on reporting instructions, and reasons for assessment
- Confidentiality of business and financial information

### Your responsibilities as a business include:

- Registering your business to report any unclaimed property your business is holding
- Knowing your reporting obligations and seeking instructions when you are uncertain
- Keeping accurate and complete business records
- Filing and paying reports in a timely manner
- Ensuring the accuracy of your report
- Notifying the Department and submitting your final report when closing a business

If you need help understanding your rights and responsibilities, please contact us.

The Department of Revenue's Unclaimed Property auditors (both in-house and contracted) specialize in unclaimed property audits. In order to ensure an objective and professional audit of your business, this office maintains strict standards and schedules for inspection of records. You can find more information about our processes on our website. Go to [dor.wa.gov](http://dor.wa.gov) and type Guide to Reporting Unclaimed Property into the search box.



## CONTACT INFORMATION

State of Washington  
Department of Revenue  
**Unclaimed Property Section**  
PO Box 34053  
Seattle, WA 98124-1053  
**Website: [ucp.dor.wa.gov](http://ucp.dor.wa.gov)**  
**1-800-435-2429**

For assistance or to request this document in an alternate format, visit <http://dor.wa.gov> or call 1-800-647-7706. Teletype (TTY) users may use the Washington Relay Service by calling 711.

# UNCLAIMED PROPERTY AUDIT GUIDE FOR HOLDERS

- Before the audit begins
- Preparing for the audit
- During the audit
- Finalizing the audit
- Your rights and responsibilities

## WHAT TO EXPECT

The auditor will contact you to schedule an opening conference. At this meeting, we will:

- Review how the law applies to your business
- Discuss the audit plan
- Agree upon an audit start date

This meeting may be held at your place of business or at your accountant's, attorney's, or other representative's office.

## PREPARING FOR AN AUDIT

It is your responsibility to gather the records the auditor requested and have them available for the first audit meeting.

You will be asked to describe your organization's structure and the location of your records. The auditor will give you a list of records you need to provide him or her by the audit start date. You may be asked to appoint a liaison for the auditor to contact during the audit process.

### Audit Period

The audit period is usually for the past 5 years, plus the current year. Remember, most property is aged 3 years before it is reported, so property from the oldest report may be 10 years old.

## Records

The records request may include the following:

- Recent general ledger trial balance
- Chart of accounts
- Payroll records
- General ledger transaction detail information and/or general journals
- Prior unclaimed property reports and related accounting records
- Monthly bank reconciliations and outstanding check lists for all disbursement accounts including payroll and accounts payable
- Employee benefit plan information
- Accounts receivable aged trial balance or accounts receivable credit balances
- Policies on handling of old checks, credit balances and small balance write-offs
- Unclaimed stock ownership interest and/or dividends
- Customer refunds/credit notices

Although most audits can be completed with these records, additional documents may be requested. If your business did not keep the records necessary to complete the audit, the Department may estimate the amount owed based on the records that are available.

### Electronic Records

The auditor will accept electronic records, when available. Electronic records can improve accuracy of the audit and minimize the time it takes to complete.

## CONFIDENTIALITY

The information you provide is confidential and not available to the public. However, The Department has information sharing agreements with other states and may share information about the property that is due to those states.

## DURING AN AUDIT

The time it takes to complete your audit depends on the size and type of your business. Your auditor:

- Observes your operation to get a better understanding of your business activities and accounting records
- Reviews your records
- Provides you with information and instructions for future unclaimed property reporting

After reviewing all the information, the auditor will present you with preliminary findings. You will be given the opportunity to research those findings and propose adjustments.

The auditor will schedule a closing conference prior to finalizing the audit.

## FINALIZING AN AUDIT

Following the closing conference, the auditor will issue a final audit report. It may contain findings, management advisories and future reporting instructions. If the final audit report has findings, you have 30 days to file an unclaimed property report that includes payment with any applicable interest and penalties.

*If you disagree with the audit findings or the application of the law, you may send a letter explaining any disagreements or legal issues to the Unclaimed Property Audit Manager. That letter must be received by the Department before your unclaimed property report is due. After review by the manager, your letter may be forwarded to our legal counsel for further review. Following the review, the Department will respond in writing. If the response does not resolve the issues, a meeting is arranged between you, your legal counsel, and Revenue representatives to clarify the issues and seek resolution.*

*The Unclaimed Property section makes every effort to resolve issues surrounding unclaimed property audits. If an issue cannot be resolved, the Department may ask the Attorney General's Office to bring action in court to settle the dispute.*

**We are committed to working with you in a professional and cooperative manner.**