



Washington State

UNCLAIMED PROPERTY

General Information

This guide provides general information on unclaimed property and defines some commonly used terms.

What is Unclaimed Property?

Unclaimed property is money, tangible or intangible property owed to an individual or business. Property is considered unclaimed after a period of time with no owner contact and after a “good faith” effort has been made to locate the owner. Unclaimed property is turned over to us from many sources, including banks, utilities and governments among others.

The Uniform Unclaimed Property Act protects unclaimed property until it is returned to its rightful owners or their heirs. Washington State law requires businesses and other organizations 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 property type.

Businesses must report unclaimed property to the state of Washington if:

1. The owner’s last known address is in the state of Washington.
2. The owner’s address is unknown or the owner is unidentified and Washington is the state of corporate domicile.
3. The owner’s property is not reportable to another state and the property transaction arose in Washington.

Examples of unclaimed property include:

- deposits at financial institutions
- uncashed checks
- wages
- account credits
- utility deposits
- insurance proceeds
- stocks
- bonds
- dividend payments
- safe deposit box contents

Revenue’s role

The public may search reported owner names and addresses on our internet site. Reported funds are deposited into the State’s General Fund and are available for state purposes until claimed. We act as custodian of the property and run a program to locate the owners. Once reported and remitted, abandoned property is available for refund to the owner or their heirs indefinitely.

Administered as a consumer protection program, unclaimed property has three main purposes:

- To safeguard and return unclaimed property to the rightful owners or their legal heirs.
- To place any unclaimed property of unknown owners with the state to benefit the citizens of Washington.
- To relieve holders from liability of the property.

Important points:

- There is no time limit to claim reported property.
- Owners are not charged a fee to reclaim their property.
- Interest-bearing accounts earn interest as reported for up to 10 years.
- Holders are indemnified against liability on claims for reported and remitted property.

Holder education and audit program

Reporting and compliance information is available to companies, including:

- Reporting guides that cover common industry and property questions
- On-site consultation visits
- Holder education workshops

We perform audits to verify that companies are complying with the law. There are interest charges and penalties if a company fails to timely report and deliver unclaimed property.

Penalties

Beginning July 1, 2017, the following penalties will apply:

- 10% - Late report penalty if report is not filed or paid by the due date.
- 10% - Assessment penalty when an examination results in an assessment for amounts unpaid or property not delivered.
- 5% - Additional penalty for amounts assessed and not paid by due date.
- 5% - Report penalty when holder does not file and pay electronically when required.

Note: Penalty amounts are based on amounts unpaid and the value of any property not delivered. These penalties are cumulative.

Finding owners

We make significant efforts to locate the owners of unclaimed property received each year, including:

- Advertising in local newspapers
- Mailing a claim form to the last known address of each owner with over \$75
- Issuing news releases about unclaimed property
- Maintaining an online owner search database at ucp.dor.wa.gov
- Accepting toll free inquiries in Washington at 1-800-435-2429
- Locating owners using advanced search tools

Who must report

Businesses, whether or not located in Washington, should report any unclaimed property they hold that is due to an owner. All holders are responsible for filing reports on behalf of their branches, divisions or other affiliated entities.

The following entities are required to report:

1. Banking and Financial Organizations, including:
 - State or Federally Chartered Banks
 - Private Bankers
 - Trust Companies
 - Savings and Loan Associations
 - Savings Banks
 - Credit Unions and Investment Companies
2. Business Associations wherever located, domiciled or incorporated, such as:
 - Corporations
 - Partnerships
 - Sole Proprietors
 - Limited Liability Company (LLC)
 - Joint Stock Companies
 - Cooperatives or other Business Associations
 - Business Trusts
 - Insurance Companies
3. Utilities owned or operated for public use for services, including:
 - Communications
 - Water
 - Electricity
 - Steam
 - Gas
4. Other Legal Entities, including:
 - State, County and City Governments
 - Public Corporations
 - Political Subdivisions and Public Authorities
 - Nonprofit Organizations
 - Trust or other Legal or Commercial Entities

What to report

Report all abandoned property that you owe to a Washington resident or corporation. Washington corporations should report unknown owners, items with no address and property where the last known address of the owner is in a foreign country. The Property Category Code Table provides examples of the types of property that are reportable as unclaimed property.

Reciprocity

You may report property that belongs to an owner in another state with your Washington Unclaimed Property report as long as it is 10 or fewer properties, totaling \$1,000 or less. Items that exceed these qualifications, must be reported directly to the other State(s). Once your report is received and balanced, our office will forward the names of out-of-state owners to the appropriate states. Whether you report the property to our office or to the state directly, you must follow each state's laws on dormancy periods. Some states may require you to report to them directly even if the property is considered incidental. *(Note: Due to law changes, any property owing to owners with a last known address in California must be reported directly to California no matter how many names or the value.)*

Exceptions to the Reciprocity Agreement Program:

- **Travelers checks & money orders:** This property is reportable to the state where they were purchased.
- **Safe deposit boxes:** Holders need to report safe deposit box contents to the state where the branch is located.

When to report

Reminders are mailed to all active holders each year. Reports and payment are due before November 1 each year. You must include all property that has remained unclaimed for the required dormancy period as of June 30. Our Report Year Conversion Table may be helpful in determining what property needs to be reported. You can find the Report Year Conversion table at ucp.dor.wa.gov.

How to report

Electronic Reporting

Free software available Currently, several options are available to holders for electronic reporting. Regardless of the option you choose, your information must be in the NAUPA II format.

Benefits of electronic reporting

- Prevents many common mistakes
- Saves time creating your report
- Secure, encrypted transmission of your unclaimed property report
- Reduces paper files (keep a copy of your reports and supporting documents for six years)

Negative (Zero) reports

If you have nothing to report, you need to file a negative (zero) report. Negative reports should be filed electronically.

Business closing or inactive

If your business is closing or if you do not expect to report in the foreseeable future, email a request to close or inactivate your account to ucp@dor.wa.gov.

Early reporting

Early reporting requests will be approved on a case by case basis. The property must have aged at least 90 days and you have made at least one attempt to locate the owner. You may either fax or email in your request to us.

Remittance at time of report

Remit all reported property, except safe deposit box contents, with the report before November 1. For safe deposit box contents, the Department will notify you in writing of the delivery date and shipping instructions.

Securities and Mutual Funds

Reporting of securities and mutual funds is not complete until you provide evidence of the property being transferred into ownership of the State. Please refer to our Guide to Reporting Unclaimed Property on the Department's Unclaimed Property website ucp.dor.wa.gov.

Glossary of terms

The following definitions are helpful when reporting unclaimed property to the state of Washington. These definitions are an aid, not a substitute for legal advice.

Abandoned property: Tangible or intangible property unpaid or undelivered to the rightful owner for the time period specified by law.

Activity: Action taken on property by the owner, including deposits or withdrawals, or a written memorandum to the holder. It does not include automatic transfers, payments or charges.

Aggregate: A group of related property type items reported as a single line item. The owner names and addresses are not included with the report. Property valued at \$50 or less may be aggregated when reporting to Washington.

Claimant: A person believing they are legally entitled to abandoned property. The claimant is not always the actual "owner" of the property. A claimant could be an heir, or someone who has a legal right to claim the property on the owner's behalf.

Custodian: A custodian holds and controls property until delivered to the rightful owner.

Dormant or inactive period: The time period during which an owner of property does not take action on his or her property.

Due diligence: A letter sent to the last known address in an effort to find the rightful owner of abandoned property before delivering it to the state.

Escheat: A transfer of property that makes the state the legal owner of the transferred property. Washington State does not escheat abandoned property, but holds it in trust for the owner in perpetuity.

Holder: The entity in possession of abandoned property until transferred to the owner or the state.

Holder access number: The number you will need to file your first report electronically.

Holder reporting number: A number is assigned when we receive your first report. Once assigned, use this number on all correspondence with the Unclaimed Property Section.

Incidental property: Ten or fewer properties, totaling \$1,000 or less per state.

Intangible property: Property that represents or is negotiable to cash. Items such as a stock certificate represent ownership interest in a company or a savings bond represents an obligation to pay a certain amount. Both are convertible to cash and represent cash values.

Negative report: An unclaimed property report filed when no property was abandoned during the current reporting period. This is also referred to as a zero report.

Owner: The person the property originally belonged to and reported by the holder of the property. Report the payee as the owner for money orders, gift certificates and cashier checks.

Positive owner contact: Documented contact by the owner.

Real property: This is real estate and fixtures. Unclaimed property does not cover abandoned land, houses, boats, cars or real property.

Tangible personal property: Personal property that is represented by itself. A diamond ring and a silver coin are examples of tangible property.

Unclaimed Property Contact Information

Website: ucp.dor.wa.gov

Main Phone: (360) 534-1502

Toll Free: 1-800-435-2429
(Washington State only)

Fax: (360) 534-1498

Email: ucp@dor.wa.gov

Mail: State of Washington
Department of Revenue
Unclaimed Property
PO Box 34053
Seattle, WA 98124-1053

For tax 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.



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