



## Unclaimed Property Program

The Department of Revenue's Abandoned Property Program returns abandoned or unclaimed property to Montanans and conducts audits of property holders to ensure that all abandoned property is remitted to Montana.

The following description of the program is taken from the department's website.

### Do you have a lost treasure in Montana?

Have you forgotten about a checking or savings account, an old uncashed check, gift certificate, stock, safe-deposit box, or other similar property? Montana is a custodial state and holds unclaimed property on behalf of the owners. Unclaimed property is reported to Montana when the owner's last known address is in Montana.

The Montana Department of Revenue administers the state's unclaimed property which includes such items as state refunds, uncashed payroll checks, utility deposits, interest or dividend income, savings and checking accounts, safe-deposit box contents, credit balances, customer overpayments, gift certificates, unidentified remittances and stocks and bonds.

If you believe you may be the owner of unclaimed property, there are two easy ways to conduct a search: do a search online or ask the department to conduct a search for you.

#### Searching Online

Montana's unclaimed property is listed at [MissingMoney.com](http://MissingMoney.com). This *free* national database helps consumers search for lost assets and unclaimed property. It is an easy-to-use website that updates once a month. Unclaimed property listings from 37 states, the District of Columbia, Puerto Rico, and Alberta, Canada are available for searches on the site.



#### Requesting a search

If you want the Department of Revenue to conduct an unclaimed property search for you, please call us toll free at 1-866-859-2254 (in Helena, 444-6900). We will be happy to assist you by doing a search on our

December 1, 2009

system. If you do have property, we will send you a claim form and a checklist of the documents needed to process your claim. Returning the documentation shown on the checklist, along with your signed and notarized claim form, will help us to process your claim quickly.

In addition to the information available online, each of the department's county offices maintains a hard copy of the unclaimed property list specific to that county and a comprehensive list of all property is maintained at the department's offices in Helena.

### **In search of the rightful owners**

Each fall the Department of Revenue publishes the list of unclaimed property reported to the state over the past year in newspapers across the state. We just concluded this year's publication and included the list in twenty-two different newspapers. In the past several years the department has increased the number of newspapers in which we publish the names, expanded the notification to include the unknown addresses in all of the notices and included the names and addresses for all known owners by county in each of the publications.

The department also recently started a process of using the department's integrated tax system to automatically generate a cross-match of the unclaimed property database against the income tax database by matching social security numbers and sending a letter to the address identified with the income tax account. The letters indicate that they may be the owners of unclaimed property and provides them with instructions on how to make a claim. This exercise has proved to be successful in locating owners of unclaimed property.

In the past five years the department has dramatically improved and expanded our outreach efforts to Montana citizens to return their otherwise abandoned property.

Currently, the department's two abandoned property auditors – who should be conducting audits to secure the reporting of more abandoned property – are instead reconciling security and mutual funds, authorizing the sale and transfer of securities and mutual funds, and approving the return of the securities and mutual funds to the rightful owners on a daily basis. This use of the auditors' time is a misallocation of resources that will result in less abandoned property being reported to the state. However, this circumstance is unavoidable due to the limited staffing for this program. The department received **one time only** funding from the 2009 Legislature for additional staff to handle the daily reconciliation and maintenance of securities and mutual funds and allow our audit team to concentrate on audits. The new staff will, 1) increase the amount of abandoned property returned to the state and 2) benefit Montanans by returning more property to them.

Since the inception of the Abandoned Property Program in 1963, the department has received approximately \$70,000,000 in abandoned property funds for Montana. Approximately \$20,000,000 of these funds has been returned to their rightful owners leaving \$50,000,000 in the general fund.

In the past 10 years, the amount of abandoned property returned to the state has tripled. The Department currently is holding over 1,000,000 shares of stock. Between July 2007 and June 2008, over 3,100 securities related transactions occurred in the state's abandoned property account. These transactions included: securities escheated to the state; securities sold; securities reissued; dividend payments (cash and reinvesting dividends); stock splits; mergers; involuntary liquidations; and other transactions.

Each of these transactions requires the department to make the necessary adjustments to each owner's records as the transaction occurs. Without making these adjustments, owner's records do not adequately reflect the current value of their property that is held in perpetuity by the state.

The department is in the process of filling the positions approved by the Legislature for the biennium. ***The positions are funded from the abandoned property special revenue account.*** The new staff will have a positive impact on the state's ability to collect revenues and return unclaimed property to citizens. It is estimated that the addition of the staff to the program will increase the program's audit collections by \$250,000 a year and return an additional \$70,000 in abandoned property to Montanans.