



GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer
Office of Finance and Treasury

Unclaimed Property Unit

*Instructions
for Preparing Unclaimed
Property Reports*

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Table of Contents

Preparing Your Report

Introduction	1
Special Note to Holders	1
Who Must Report	1
What to Report	1
When to File	2
Property Remittances	2
Instructions for Registration of Stocks and Mutual Funds	2
Wire Transfers of Unclaimed Property	2
Your Responsibilities as a Holder	3
Filing Deadlines and Extensions	3
Notices to Owners	3
Negative Reports	3
Aggregate Reporting of Property Less than \$50	3
Instructions for Completing the Verification and Checklist Form UP-1	4
Instructions for Completing Form UP-2	4
Instructions for Completing Form UP-2a	6
Instructions for Completing Form UP-2b	6
Instructions for Completing Form UP-2c	7
District of Columbia Unclaimed Property Law Dormancy Periods	8

Sample Unclaimed Property Forms

UP-1	Report of Abandoned and Unclaimed Property Verification and Checklist	-
UP-2	Report of Abandoned and Unclaimed Property	-
UP-2a	Summary Sheet of Reported Items	-
UP-2b	Summary Sheet of Aggregates	-
UP-2c	Tangible Assets Inventory List	-

Introduction

The District of Columbia's Uniform Disposition of Unclaimed Property Act (DC code section 42-201 et seq.) requires business associations, banking and financial organizations, life insurance corporations, and others to review their records each year to determine whether they hold any funds, securities, or other properties that have been unclaimed for the required dormancy period, and to file an annual report with the Unclaimed Property Unit.

This reporting booklet is designed to inform organizations of their responsibilities under the Unclaimed Property law and assist in the preparation of abandoned property reports. Each organization should review the Unclaimed Property law to ensure all reporting requirements are understood. The review of the law should be ongoing, as revisions to the statute may cause changes in reporting requirements.

To ensure the complete, accurate, and timely reporting of unclaimed property, it is important that this reporting booklet and all other related materials be forwarded to the persons in your organization responsible for the preparation of the unclaimed property report.

When a reporting service is employed, quality and accuracy of the report remain the responsibility of the organization for which the report has been prepared.

Special Note to Holders

Holders are strongly encouraged to remit their stock claims through Depository Trust Company (DTC). Claimants will receive their stock property faster if the stock is issued in book entry form through DTC. If this is not possible, you must issue the stock in the District's nominee name of **Gov. and Company** (exactly as written). Any other name will delay the issuance of property to the claimant. We hope to process stock claims faster if they are remitted in book entry. The Unclaimed Property Unit remains dedicated to the following:

1. **Processing complete and accurate holder reports.** This can only be done with

cooperation from the holders. Incomplete report information adds processing time to your report, makes it more difficult to locate owners and causes delays in processing claims.

2. **Returning money to its rightful owner.** Proactive steps are in place to allow our staff to find owners prior to the annual newspaper advertisement. Since Fiscal Year 1993, the Unclaimed Property Unit has returned approximately \$41 million of reported unclaimed property to its rightful owners. If you have any questions, comments or suggestions on how to improve the reporting process, feel free to contact one of the Unclaimed Property Staff listed below. Our telephone number is (202) 442-8181.

Instructions for Preparing Abandoned and Unclaimed Property Report

Who Must Report

The District of Columbia's "Uniform Disposition of Unclaimed Property Act of 1980," as amended, requires every business entity to review its records to determine whether they hold any funds, securities or other property presumed abandoned under the Act, and file an annual report with the Office of Finance and Treasury, Unclaimed Property Unit.

What to Report

Report all property, tangible or intangible, presumed abandoned, that is held or owing in the ordinary course of the holder's business and has remained unclaimed by the owner for more than three years after it became payable or distributable, unless otherwise specified. Please refer to the Checklist on Form UP-1 for more specific examples of the types of property that are reportable.

Property presumed abandoned shall be reported and delivered to the District if one of the following applies:

1. The last known address of the apparent owner, as shown on the records of the holder, is in the District.
2. If the address of apparent owner is unknown, at least one of the following applies:
 - A. Address of last known person entitled to the property is in the District of Columbia;
 - B. Holder is domiciled in the District; or
 - C. Holder is the District of Columbia Government.
3. The last known address of apparent owner is in a foreign country or in a state outside the District of Columbia and the property is not being reported to that state and, the holder is:
 - A. Domiciled in the District; or
 - B. The District of Columbia Government.
4. The transaction concerning the property took place in the District.

When to File

Unclaimed property reports and remittances must be submitted to the Office of Finance and Treasury's Unclaimed Property Unit before November 1 of each year. Exception: Life Insurance Companies must submit reports and remittances before May 1 of each year.

It is the holder's responsibility to report and remit property before the applicable due date.

The report concerning unclaimed property as of the prior June 30th (and December 31st for Life Insurance Companies) must be filed on Form UP-1, Report of Unclaimed Property Verification and Checklist.

Reportable property is itemized on Form UP-2, The Report of Unclaimed Property, which shall be filed at the same time as Form UP-1. A computer-generated document may be substituted for the Form UP-2. However, the format of the document should be identical to that of the Form UP-2.

Property Remittances

Appropriate reporting forms can be obtained from

the Office of Finance and Treasury, Unclaimed Property Unit:

Mailing Address:

Office of Finance and Treasury
 Unclaimed Property Unit
 810 First Street, NE, Suite 401
 Washington, D.C. 20002
(When remitting money, checks should be made payable to: D.C. Treasurer.)

Instructions for Registration of Stocks and Mutual Funds

When stocks are being reported, a transfer must be made to the District of Columbia Government. The stocks must be issued in the District's nominee name "**Gov. & Company**", under **taxpayer ID #04-3126253**. The report and the stock certificate should be forward to the Unclaimed Property Unit.

We encourage stock to be transferred via DTC or book entry. The delivery instructions are as follows:

DTC Participant Account Number 0913
Account Number ACSB020970
Fleet Bank

You are required to call the Unclaimed Property Office three days prior to transferring the securities. In addition, fax a list to the Unclaimed Property Office the items being transferred. The list should include issue name, cusip number, number of shares and your depository number.

All mutual funds should be registered in the name of:

Government of the District of Columbia
 Federal ID #53-6001131

Also, a confirmation statement should be included with your report indicating the transfer.

Wire Transfers of Unclaimed Property

Remittances of \$50,000 or greater are required to be wire transferred. Prior approval from the Office of Finance and Treasury's Unclaimed Property Unit is necessary before making the wire transfer. Please call (202) 442-8181 before wiring

your transaction. The wire instruction is as follows:

Bank: Bank of America
ABA#: 054001204
Account #: 001920585235
Title: District of Columbia Government
Ref. Line: Your Holder Number

Your Responsibilities as a Holder

Filing Deadlines and Extensions

The deadline for filing your annual report and remitting your unclaimed property is November 1 for all companies except Life Insurance Companies. Life Insurance Companies report and remit May 1 of each year.

Notices to Owners

We encourage you to make reasonable efforts to locate owners when an account first becomes inactive or a check remains uncashed. Most individuals and companies can be found if an attempt to locate them is made during the first six months following a change of address.

While the District of Columbia supports your efforts to contact your unclaimed property owners prior to reporting and remitting to the District of Columbia Government, expenses incurred for researching and locating owners are not authorized by the Statute to be deducted from your remittance to the District Government.

It is important that you keep records of owners' last known addresses, (even though mail may have been returned by the post office), and social security numbers (if known). This information is extremely crucial in our efforts to verify that the rightful owners of the property are being paid. Addresses and social security numbers if known **must** be included in your report.

There is an option to pay the claimants directly and then file for reimbursement from the District Government on Form UP-4.

Negative Reports

If your company has no unclaimed property to report, or is no longer in business, file only the Verification and Checklist Form (UP-1), which must be signed and notarized.

Aggregate Reporting of Property Less Than \$50

Individual owner accounts of less than \$50 may be reported in the aggregate. You are not required to list each owner individually on your report. You may combine any amount under \$50 by property type and provide a single total for each type.

If an owner files a claim for an account under \$50, which you reported in the aggregate, the Unclaimed Property Unit will contact you to verify that the owner's property was included in your aggregate total. To reduce the need for this verification, you should provide a separate list of aggregated accounts with your report. The list should include the names of the owners and the amount due each owner. This information should then be summarized by property type on the Aggregate Summary Form (UP-2b).

Additional Forms

If additional reporting forms are needed, you may photocopy the blank forms sent to you with this booklet. Additional forms may also be obtained by contacting the Office of Finance and Treasury, Unclaimed Property Unit.

Provide Your Tax ID and Current Address

It is your responsibility to keep this office advised of your current address and any changes in the person, department, or branch responsible for filing your reports. All correspondence should include your Employer Identification Number (EIN - Tax ID Number).

Reporting Methods

The Office of Finance and Treasury requires all holders of 25 or more unclaimed property accounts to report in NAUPA format on 3.5-inch diskette. Specifications for NAUPA format can

be found at the following website:
www.wagers.net/hrs

Reporting Manually

Refer to the section in the manual titled Reporting instructions. If you have fewer than 25 accounts to report, please use the forms provided. When reporting on forms, all information must be typed.

Diskette Specifications

For your convenience, unclaimed property reports can now be filed on diskette. The External File Processing function allows holders of unclaimed property to download information from their current computer system onto diskettes without re-keying individual unclaimed items.

Instructions for Completing the Verification and Checklist Form UP-1

1. **Holder's Name and Address:** Complete the name and address lines with your company name and mailing address. Do not forget to include department names if they are an important part of your address.
2. **Report Year:** Enter the year for which the report is being filed.
3. **Employer ID Number (EIN):** Enter the nine-digit tax ID number assigned to you by the federal government. **This line must be completed.**
4. **Property Type:** Review the property types listed on both sides of the form to verify the types of property you are reporting. Each item marked "yes" must be itemized on the Abandoned and Unclaimed Property Form (UP-2).
5. **Previous Holder:** If you are not the original holder of any of the property listed on the report, enter the name and address of the previous holder and the date the property changed hands. If your institution's name has changed during the time (last 10 years) that you held any property reported, list the

previous name and date of change. Attach separate sheets as necessary.

6. **Primary Business Activity:** Check the primary business activity that best describes your principal operation.
7. **State of Incorporation:** Corporations should enter the state in which they were incorporated. Savings and loans associations, banks, and credit unions should enter the state in which they were chartered.
8. **Date of Incorporation/Charter Date:** Corporations should enter the date on which they were incorporated or licensed to do business. Savings and loan associations, banks, credit unions should enter the date their organizations were chartered.
9. **Is this your first time to report?** Indicate whether your organization has ever reported unclaimed property to this office, under this or any other tax ID numbers. Note here if your company is no longer in business.
10. **Contact person for reporting:** List the name, address, and phone number of the person who completes your report. This is the person the Unclaimed Property Unit will contact if there are questions or problems with your report. This is also the person to whom we will mail future reporting information.
11. **Affidavit:** An authorized individual must sign the report. If the report is prepared by a partnership, it must be signed by one of the partners; if filed by an unincorporated association or by a private corporation, it must be signed by an officer; if filed by a public corporation, it must be signed by the chief financial officer. The form must be notarized.

Instructions for Completing Report of Unclaimed Property Form UP-2

1. **Holder Information:** Enter the holder name, and address exactly as it appears on the Verification and Checklist Form, UP-1.

2. **Report Year:** Enter the year for which the report is being filed.
3. **Period Covered:** Enter the period for which you examined your records for unclaimed property.
4. **Type of Property:** List the category of property to be itemized.
5. **Owner's Information:** Enter the full name (last name first) and last known address for each owner.
 - List last name, full first name, and middle initial, if available. List all information which would help with identification such as Jr., Sr.
 - Corporate titles should be entered exactly as adopted, except the word "the" should be deleted when it is the first word of the title.
 - List the complete address, including zip code. If the address is unknown, insert "address unknown" under the name.
 - If a single item has two or more owners, the names and addresses of both individuals must be shown, along with the relationship (e.g. "Trustee", "Or", "And", etc.). If the owners have the same address, the address may be entered once beneath the names.
6. **Social Security Number:** Enter the owner's social security number if known.
7. **Date of Last Transaction:** This is the date of the last deposit or withdrawal made by the owner. The "date property became payable, demandable, or distributable" is, for example, the date a dividend became payable, the date a note became payable, the date a check or draft was issued, the date a gift certificate was purchased, etc. If payable on demand, the date the instrument was issued should be used. The date of computer conversion shall not be used as the date of last transaction.
8. **Amount Due Owner (before service charges, deductions, and withholding):** The total value due owner is the amount of cash

due the owner of the item, including all interest earned on deposits and without the deduction of any service charges.

Note: For stocks and bonds, the number of shares should be listed. For Safe Deposit Boxes, identify the major portion of the contents (e.g., miscellaneous papers) and include the description of any contents, which could have value (e.g. jewelry, money, coins, and stocks). For all safe deposit boxes, copies of inventories of the contents of each individual box must be attached as part of the report. Contents of each box must be kept separated and itemized individually.

9. Deductions and Withholdings:

Type. Indicate whether any deductions or withholdings were made using the following codes:

- “SC” for service charge deducted
- “DW” for dividends withheld
- “IW” for interest withheld or discontinued

Amount. Enter the amount of any deductions or withholdings imposed by virtue of the inactivity of dormancy of the property. If service charges have been deducted, the holder shall include or attach as part of the report the following:

- (a) A sample copy of the form or contract(s) authorizing such dormancy or inactivity service charges. Include all contracts in effect at the time the account was opened and any subsequent agreements providing for such charges, or increasing the amount of such charges or increasing any minimum balance requirements to avoid such charges.
- (b) The amount of each item of property before any service charges were deducted.
- (c) The amount of service charges deducted from each item and the date or dates on which service charges were deducted (attach separate page to itemize said information).
- (d) If you are unable to identify the amount of said service charges deducted from specific accounts, state the total amount of said charges.

Note: If payment of interest or dividends on property presumed abandoned was discontinued, before or after the property was presumed abandoned, the holder shall include or attach as part of the report a sample copy of the form or contract which authorized the discontinuance of said payment of interest or dividends.

10. Amount Remitted As Due Owner: Use this column to enter the amount reported as due the owner of the item. This is the amount in column (8) less the amount in column (9).

11. Total: Enter the totals of each of the columns 8, 9, and 10.

12. Grand Total: If more than one UP-2 form is used, on the last page (e.g. 3 of 3), enter the grand totals of columns 8, 9, and 10.

Instructions for Completing Summary Sheet of Reported Items, Form UP-2a

The Summary Sheet must be completed with a summary of all abandoned and unclaimed property being reported. This information is to be listed by type of property and code number. If you are reporting owner accounts under \$50.00, you must list them by dollar amount in aggregate by type of property and property code.

- 1. Property Codes:** List separately, in numerical sequence, the appropriate property code for each type of unclaimed property you are reporting. Refer to NAUPA Standard Property Type Codes for each code number.
- 2. Summary of Types of Property:** Enter the property description of each category of items as listed on the corresponding individual property pages (see UP-2 forms).
- 3. Number of Owners:** Enter the number of owners per property code.
- 4. Pages:** Enter the inclusive page numbers where each type of property is listed on the UP-2 forms.

5. Amount Remitted: Enter the exact dollar amount remitted to the District of Columbia along with the reporting forms for each category of property.

6. Total Owners: Enter the total number of owners on the holder report.

7. Total Amount Remitted: Enter the total amount of money paid with your reporting forms.

8. Holder: Enter the name of the reporting holder of unclaimed property. Also provide the Employer Identification Number (EIN).

Instructions For Completing Aggregate Summary Form UP-2b

An aggregate is a total dollar amount of property under \$50, within a specific type of property code. This summary sheet itemizes each individual type of property code, the number of owners per property and the aggregate dollar amount per property.

- 1. Property Codes:** List the corresponding property code for each separate property description per aggregate. Refer to NAUPA Standard Property Type Codes for each code number.
- 2. Property Description:** List the type of property per each aggregate of owners for property under \$50.
- 3. Number of Owners:** Enter the total number of owners per each individual property code.
- 4. Total Aggregate Dollar Amount:** Add the total number of owners in aggregate for property under \$50.
- 5. Subtotal of Number Of Owners:** Add total number of owners in aggregate for property under \$50.
- 6. Grand Total Aggregate Dollar Amount:** Add the total dollars in aggregate per property code and list the grand total.

7. **Holders Name:** Enter the name of the reporting holder of unclaimed property.
8. **Federal Employer Identification Number:** Enter your Employer Identification Number (Tax ID Number).

7. **Effective Date or Last Access:** This refers to the last date the safe deposit box was accessed by the owner.
8. **Total:** Enter the total number of items itemized on **each** inventory page

All information listed must be typed

Instructions for Preparing Tangible Assets Inventory List Form UP-2c

1. **Holder's Name and Address:**
Complete the name and address lines with your company name and mailing address. Include name of individual submitting report and telephone number.
2. **Report Year:**
Enter the year for which the report is being filed.
3. **Employer ID Number (EIN):**
Enter the nine-digit tax ID number assigned to you by the federal government. **This line must be completed.**
4. **Reference Number:**
Enter the reference number assigned to the owner of the abandoned or unclaimed property. Usually this number refers to the safe deposit box number.
5. **Name and Address:**
Enter the name and address of the owner of the abandoned or unclaimed property.
6. **Description of Property:**
This area is **very important** and must be completed in detail especially if there is more than one of a particular category of property. The more detailed the description, the easier it will be to identify the property at a later time should the owner come forward to claim it. Note any specific identifying marks or characteristics of each piece of property.

Note: In regards to miscellaneous personal papers with no monetary value, these can be listed as a group and not detailed item by item.

District of Columbia Unclaimed Property Law Dormancy Periods

<u>Section</u>	<u>Description</u>	<u>Period</u>
42-206	Savings, Matured Time Deposits, Demand Deposits (Checking), NOW, plus interest or dividends	3 years
42-206	Travelers' Checks	15 years
42-206	Written Instruments (Banking and Financial Assns.)	3 years
42-206	Money Orders	7 years
42-206	IRAs, Keogh Plans	3 years
42-215	Safe Deposit Boxes, Safekeeping	3 years
42-207	Funds Held By Life Insurance Companies	3 years
42-209	Stocks, Dividends, Profit Distributions, Interest	3 years
42-210	Liquidating Distributions	60 days
42-211	Funds Held By Fiduciaries, Agents	3 years
42-212	Funds Held By Government or Governmental Agencies	1 year
42-212	Indebtedness of the District Government	1 year
42-203	Ordered Refunds	1 year
42-203	Misc. Property Held in Normal Course of Business (Vendor Checks, Credit Balances, etc)	3 years
42-213	Employee Benefit Trust Distributions	3 years
42-214	Gift Certificates and Credit Memos	5 years
42-216	Unpaid wages	1 year

