

Handbook for New York State Agencies

OFFICE OF THE NEW YORK STATE COMPTROLLER

Thomas P. DiNapoli, State Comptroller



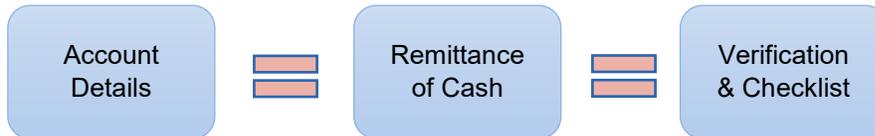
March 2020

Unclaimed Property Relating to New York State Agencies – Reference Sheet

Schedule of Events for Section 1315	
December 31	Cut-off date – if funds have become dormant in the year prior to this date, they should be included in this report cycle
March 10	First class mailing completed
April 10	Certified mailing completed
June 10	Final report and remittance due

How to Report (due 6/10) - Include the following when reporting:

1. Account details of the funds you're transferring in an approved format
2. Remittance of cash
3. Verification and Checklist (Form AC2709 or Electronic VCL)



Make sure the total amount is the same on all three parts

More details including forms and contact information can be found at: <http://osc.state.ny.us/ouf/reporters/index.htm>

Applicable Property Types		
Property Type	Property Type Description	Dormancy Period
2J	New York State Issued Checks	1 year
2J	Lottery Prizes	18 months

Unclaimed Property Relating to New York State Agencies

The following information corresponds to §1315 of New York's Abandoned Property Law (APL). For more information refer to §1315 of the statute.

This document includes the following sections:

[Unclaimed Property](#)

[Statutory Considerations in Addition to §1315](#)

[Schedule of Events for §1315](#)

[Due Diligence](#)

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[Remittance](#)

Unclaimed Property

Unclaimed property subject to §1315 of the APL includes amounts representing an unpaid Lottery prize pursuant to §1614 of the Tax Law and any amount representing an unpaid check, draft, or State income tax refund debit card, issued by New York State that has remained unpaid pursuant to §102 of the New York State Finance Law.

Statutory Considerations in Addition to Section 1315 – Unclaimed Property Relating to New York State Agencies

Article 34 of New York State's Tax Law – Lottery Prizes

Article 34, §1614(b) of New York State's Tax Law provides that the Division of Lottery may determine a prize has been abandoned when:

- 18 months has elapsed since the issuance of the prize check; and
- Such check either has been returned by the US Post Office as undeliverable or has yet to be presented for payment.

Article VII of New York State's Finance Law – State Checks and Debit Cards

Article VII, §102 of New York State's Finance Law provides that amounts for all checks or drafts issued by New York State which have remained unpaid for one year after issuance, and the amounts of all debit cards issued by the State for the purpose of paying a tax refund, be paid into the Abandoned Property Fund.

Due Diligence

§1422 of the APL requires that, at least 90 days prior to submitting its final report, the holder send a notice by first class mail to each owner whose name is expected to appear on that report unless the address for the owner is unknown or the holder can demonstrate that the address it maintains for the owner is not the owner's current address. In addition, at least 60 days prior to submitting its final report, the holder must send a notice by certified mail (return receipt requested) to each owner whose name is expected to appear on that report with abandoned property valued in excess of \$1,000 unless contact with the owner has been established; the first class mailing was returned as undeliverable or the mailing address is outside the United States.

Schedule of Events

December 31

For the purposes of reporting abandoned property for New York State Agencies, the reporting year runs from January 1 through December 31. Use it when identifying abandoned accounts/items. Any items that are the age of the dormancy period as of the December 31 cut-off date should be reviewed for the period.

January 1 through May 31

During this period, review your records and collect data related to any account/item that may be dormant and subject to reporting.

If you have an account/item subject to reporting:

- Compile the data in one of our reporting formats so that you may submit it as your final report.

If you do not have any items subject to reporting:

- Keep a record of your review.
- Do not send preliminary or negative (zero dollar) reports.

March 10

By this date:

- Send a notice by first class mail to each person or entity whose name appears on your report of abandoned property and request a signed written statement from the owner that acknowledges the property's existence. This requirement does not apply to those accounts that meet the exclusionary provisions of §1422.
- Advise and educate internal staff about the due diligence notices for effective processing when the rightful owner contacts your organization.
- Reactivate all accounts of owners who respond to the notice or otherwise establish contact. Do not include these accounts on your report.

April 10

By this date:

- If an owner has not responded to the first class mailing, or if the first class mailing was not returned as undeliverable, and the value of all unclaimed property held for the owner exceeds \$1,000, you are required to send a second notification via certified mail, return receipt requested, if the address for the owner is within the United States.
 - You may charge the cost of certified mailing against the property's value.
- Reactivate all accounts of owners who respond to the mailing. Do not include these accounts on your report.
 - Note: we consider a return receipt to be customer contact if the receipt bears the signature of the account owner. Verify return receipt signatures against the other signature records you may have for an owner.

June 1 through June 10

During this period:

- Finalize the report.
- Arrange for payment.
- Submit the report, payment, and a Verification and Checklist. We need to receive them by the close of business on June 10.

Due Diligence – Unclaimed Property Relating to New York State Agencies

Holders of abandoned property are required to conduct due diligence in the form of mailings. The costs for completing certified mailing due diligence may be charged individually to the abandoned accounts involved in the due diligence effort. However, the costs for completing the first class mailing requirements cannot be offset. You may not

take a bulk deduction against the report's total value. A positive customer response to any due diligence attempt negates the need for further due diligence actions on an account.

Exercise due caution in attempting to contact entitled owners who reside in politically sensitive countries as defined by the U.S. Department of Treasury's Office of Foreign Assets Control. Certified mailing requirements do not apply to residents of foreign countries. Address any questions pertaining to this subject to our Director of Audits.

Mailing Requirements

First Class and Certified Mailings

§1422 of the APL requires that all organizations do the following:

- At least 90 days prior to their final report/remittance date, send a notice by first class mail to each owner whose name is expected to appear on that report unless;
 - The owner address is unknown, or
 - The holder can demonstrate that the address it maintains for the owner is not the owner's current address
 - Note – if you use an address validation service and find a new address for the owner, you may send the notice to the new address but you should not change the original address on your report.
 - The items to be reported are valued at \$20 or less and are being reported in the aggregate, in which case the owner's name will not appear on the report, therefore mailing a notice is not required.

And

- At least 60 days prior to their final report/remittance date, send a notice by certified mail, return receipt requested, to each owner whose name is expected to appear on that report with abandoned property valued in excess of \$1,000 unless;
 - Owner contact has been established,
 - The first class mailing was returned as undeliverable, or
 - The last known address is outside of the United States.

Costs

You may deduct the mailing costs for certified mail. Deduct such charges from each item for which you are mailing the notice, or one item if you are rolling similar items for a specific owner into one item. You may not make a bulk deduction against the final remittance.

Multiple Items

Where feasible, if you are reporting more than one item for the same owner, one letter should address all of the items you are reporting.

Multiple Owners

For cases in which multiple owners of an item have different addresses, you must send a notice to each owner. You may deduct the additional costs of mailing a certified notice to more than one address.

Remittance

Submit your remittance at the time you file a report. The remittance should be equal to the sum of the values of the accounts being reported to the Office of the State Comptroller. Pay your remittance by electronic transfer or check.

Electronic Funds Transfer

Electronic funds transfer is available to make payment of the amount due for your report of abandoned property. Instructions including the account and routing number information are linked in the Forms area of the [website](#).

Checks

Make checks payable to Comptroller, State of New York. You should mail it to the following address:

New York State Office of the State Comptroller
Office of Unclaimed Funds
Remittance Control, 2nd floor
110 State Street
Albany, NY 12236

Include the letters 'OUF' and the Date/Time stamp in the memo and advice areas of your check if you sent your report account details using one of our electronic reporting methods. This will help us apply your funds correctly.

In accordance with OUF's internal control procedures, send all payments to the above address. Do not send any checks to our New York City office.