



SOUTH CAROLINA UNCLAIMED PROPERTY PROGRAM

SCASBO

2022 UNCLAIMED PROPERTY REPORTING OVERVIEW

TREASURER.SC.GOV

OVERVIEW

- Background of Unclaimed Property Act
- Key Terms
- Holder Obligations
- Reporting Unclaimed Property
- Resources to Assist with Compliance
- Questions & Answers

HISTORY OF UNCLAIMED PROPERTY

- Originated from British Common Law
- Every state has an unclaimed property law
- Uniform Law Commission enacted Unclaimed Property Acts to promote uniformity among states (1954, 1966, 1981, 1995, 2016)
- Review each state's laws governing unclaimed property

SOUTH CAROLINA'S LAW



- Title 27 Chapter 18
- First statute passed in 1971
- Current law is a version of the 1981 Uniform Unclaimed Property Act
- Resided at Dept. of Revenue until 1996, when it was transferred to the State Treasurer's Office

WHAT IS UNCLAIMED PROPERTY?

- Intangible property such as:
 - Cash/Outstanding General Ledger Items
 - Securities
- Held by another person
- No owner-initiated activity for a specified period of time
- Does not include real property like real estate, cars, boats, etc.

PURPOSE OF THE LAW



This Photo by Unknown Author is licensed under [CC BY-SA](#)

Consumer Protection

- The State serves as a custodian of funds for the owner
- We “stand in the shoes of the owner” and hold property until the owner (or heirs) come forward to claim it
- Property is held in perpetuity

BENEFITS OF THE LAW

- For the Holder:
 - Allows an obligation due to an owner to be permanently removed from the holder's books and records
 - Transfers custody and liability to the State
- For the Owner:
 - Protects the property owner's interests
 - Provides an efficient way to search for State-wide unclaimed property

RESULTS



- We returned over \$35 million last year
- Types of property include:
 - Unclaimed life insurance proceeds
 - Dormant or forgotten bank account assets
 - Uncashed commission checks
 - Stock proceeds from abandoned accounts
 - Payments to heirs

DOES YOUR DISTRICT HAVE UNCLAIMED PROPERTY?

- Unclaimed Property can belong to anyone including businesses, churches, schools, government entities and non-profits.
- This fall, we returned \$170K to School Districts
- We still have 23 districts with unclaimed funds!



SCHOOL DISTRICTS WITH UNCLAIMED PROPERTY

AIKEN	GREENWOOD 50	RICHLAND 02
BAMBERG 02	GREENWOOD 52	SPARTANBURG 01
BERKELEY	JASPER	SPARTANBURG 07
CLARENDON 04	LAURENS 56	UNION
DORCHESTER 02	LEXINGTON 03	YORK 01
FAIRFIELD	MARION	YORK 02
FLORENCE 03	MARLBORO	SC Charter School District
GEORGETOWN	MCCORMICK	

KEY TERMS

KEY TERMS

Holder

- Entity in possession of property belonging to another, or is indebted to another on an obligation

Owner

- Person or entity having a legal right to or equitable interest in unclaimed property

KEY TERMS

Dormancy Period (Abandonment Period)

- Period when an owner of property does not act regarding the property
- Period ranges from 1-15 years depending on the type of property



KEY TERMS



Due Diligence

- Must use prudent and reasonable methods to locate owners
- Must distribute written notice to owner's last known address for properties valued at least \$50

HOLDER OBLIGATIONS

ANNUAL OBLIGATION

- Review records to identify unclaimed property annually
- Perform due diligence to locate property owners
- Report and remit unclaimed property by November 1
- Maintain sufficient records –
 - Law requires a holder to maintain records for 10 years after the property is reportable

COMMON PROPERTY TYPES

- Wages
- Outstanding Checks
- Customer Credit Balances
- Bank Accounts
- Stocks & Dividends
- Bonds
- Insurance Proceeds & Annuities
- Money Orders
- Traveler's Checks

NO MINIMUM THRESHOLD



- All properties are reportable, regardless of the amount
- Properties under \$50 can be reported in aggregate
- Submit a “negative report” if your organization does not have any property to report

DORMANCY TRIGGERS

Dormancy Period

- Begins when the owner last communicated an interest in the property
- Checks are aged from the original date they were made payable to the owner
- Different property types have different dormancy periods

DORMANCY PERIODS

One Year

Wages

Utility Deposits

Three Years

Stocks

Securities

Five Years

Outstanding

Checks

Bank Accounts

Insurance Proceeds

Annuities

Credit Balances

CDs

Seven Years

Money Orders

Fifteen Years

Traveler's Checks

DUE DATES

- Based on the later of:
 - The date the property was originally payable to the owner
 - The date of the last owner-initiated activity
- Reporting deadlines are calculated using the State's fiscal year (July 1 – June 30)
- List of due dates is available on our website

REPORTING DEADLINE – NOVEMBER 1, 2022

Reports and remittances are due by November 1 each year for property that has reached its dormancy period as of the previous June 30.

Property Type	Dormancy Period	Current Reporting Period*	Report & Remittance Due
Wages & Utility Deposits	1 Year	July 1, 2020 - June 30, 2021	November 1, 2022
Stock & Securities	3 Years	July 1, 2018 - June 30, 2019	November 1, 2022
Outstanding Checks, Bank Accounts, Insurance Proceeds, Annuities & Credit Balances	5 Years	July 1, 2016 - June 30, 2017	November 1, 2022
Money Orders	7 Years	July 1, 2014 - June 30, 2015	November 1, 2022
Traveler's Checks	15 Years	July 1, 2006 - June 30, 2007	November 1, 2022

* Contact the STO related to any past-due property.

EXAMPLE: UNCLAIMED WAGES

- Bobby's paycheck is issued on November 5, 2020
- Bobby's check remains uncashed as of July 2022
- For your 2022 holder report, you should include wages issued between July 1, 2020 and June 30, 2021
- Since Bobby's check was issued during this period, it should be included in your 2022 report

DUE DILIGENCE LETTERS



- Governed by Sec. 27-18-180 of the S. C. Code of Laws
- For property valued at \$50 or more, holder must send written notice to the owner's last known address
- Not required if the last known address is confirmed to be a bad address
- Written notice must be sent no more than 120 days prior to the date the report is filed

HELPFUL HINTS

- Allow enough time for owners to respond to the due diligence letter
- Sample due diligence letter available on our website
- If you elect to create your own letter, be sure to:
 - State the purpose of the letter & include deadline for owner to respond
 - Indicate the date funds will be remitted to the State
 - Provide your contact information
 - Explain that funds may be claimed from the State **after January 1** of the following year

REPORTING PROPERTY

REPORTING UNCLAIMED PROPERTY



- National Association of Unclaimed Property Administrators:
 - All states are members
 - Standard reporting format for all states

HOLDER REPORTING AND PAYMENT PORTAL

Reports

- Must be uploaded via the holder portal on the UPP website in the NAUPA-prescribed format

Remittances

- Funds must be remitted electronically
- Securities must be delivered to State's UPP brokerage account
- Details on the "Remittance Information" page on our website

TREASURER.SC.GOV



Curtis M. Loftis, Jr.
STATE TREASURER OF SOUTH CAROLINA

ABLE Savings Program

College Savings

Unclaimed Property



About Us

What We Do

Resources

How Do I...

Search...

HOME / WHAT WE DO / FOR CITIZENS / UNCLAIMED PROPERTY PROGRAM

FOR CITIZENS



Unclaimed Property Program

Search for Uncashed Savings Bonds



ABLE Savings Program



College Savings Programs

Unclaimed Property Program



Search for
Unclaimed
Property



Check the Status
of a Claim



Upload Claims
Documentation



Report Unclaimed
Property

HOLDER REPORTING PORTAL

You have three options to submit a report:

I have created my NAUPA report

If you have already created your NAUPA report and simply need to submit it, click the button below.

[UPLOAD A REPORT](#)

I need to create a report

If you do not have access to reporting software and wish to create a manual report, click the button below. Once you click the button, you will be redirected to another tab to manually enter each owner and property. Please note: This process may not be used to report securities or US Savings Bonds.

[ENTER A MANUAL REPORT](#)

If you do not have any reportable property at this time, submit a negative report.

[SUBMIT A NEGATIVE REPORT](#)

CREATING YOUR REPORT

- Provide as much information about the owner as possible:
 - Full name and last known address of owner
 - Account number or SSN will assist us in verifying identify
- Use the correct property, owner and relationship codes:
 - For properties with multiple owners, pay special attention to the relationship code. Using “and” vs. “or” will impact the ability for a single owner to claim the funds.

SERVICE FEES



Reported accounts cannot be reduced by fees or service charges except as allowed by the SC Uniform Unclaimed Property Act

LAST KNOWN ADDRESS OUTSIDE OF S.C.

- Reporting is based on the rules of jurisdiction set by the US Supreme Court in TX v. NJ (1965)
 - State of owner's last known address
 - State of holder's incorporation or domicile if owner's address is not known
 - Further detail available in Section 27-18-40 of SC Code of Laws

RECIPROCAL REPORTS

- Some states (including S.C.) will accept incidental property with a last known address in another state
- Incidental property is defined as fewer than 10 properties with a total value of less than \$1,000
- State receiving the property will forward the funds through a reciprocity agreement
- Not all states allow reciprocal reporting. Use the Reciprocity Matrix on our website to check the policies of both states involved before reporting.

REMITTING FUNDS

[← HOME](#)

HOLDER PAYMENT

STATE TREASURER OF SOUTH CAROLINA
CURTIS M. LOFTIS JR.
UNCLAIMED PROPERTY

[← PREV](#)

Payment Information

[NEXT ▶](#)

SEARCH FOR REPORT

Online Payment
Once a holder report has been successfully uploaded to the State's website, a holder can submit a payment online via e-check (ACH Debit) or credit card. To search for a report, enter the holder tax identifier into the Tax Identifier field. Then, select the report that you wish to pay.

Please note: This list includes all reports uploaded to the State's website, including reports that may be fully funded. Please review your records carefully to ensure duplicate payments are not remitted.

For other payment options, [click here](#).

Tax Identifier:

[SEARCH](#)

Date Submitted	Holder Name	Amount	Select
10/5/21	State of South Carolina Sample	\$***.52	Select



PENALTIES & INTEREST

Failure to comply may result in interest and/or penalties:

- Be sure to submit your report to our office by November 1 each year
- Don't forget to remit the funds associated with your report by November 1
- Reach out to our office if you have any concerns – we're here to help!

CAN'T MAKE THE DEADLINE?

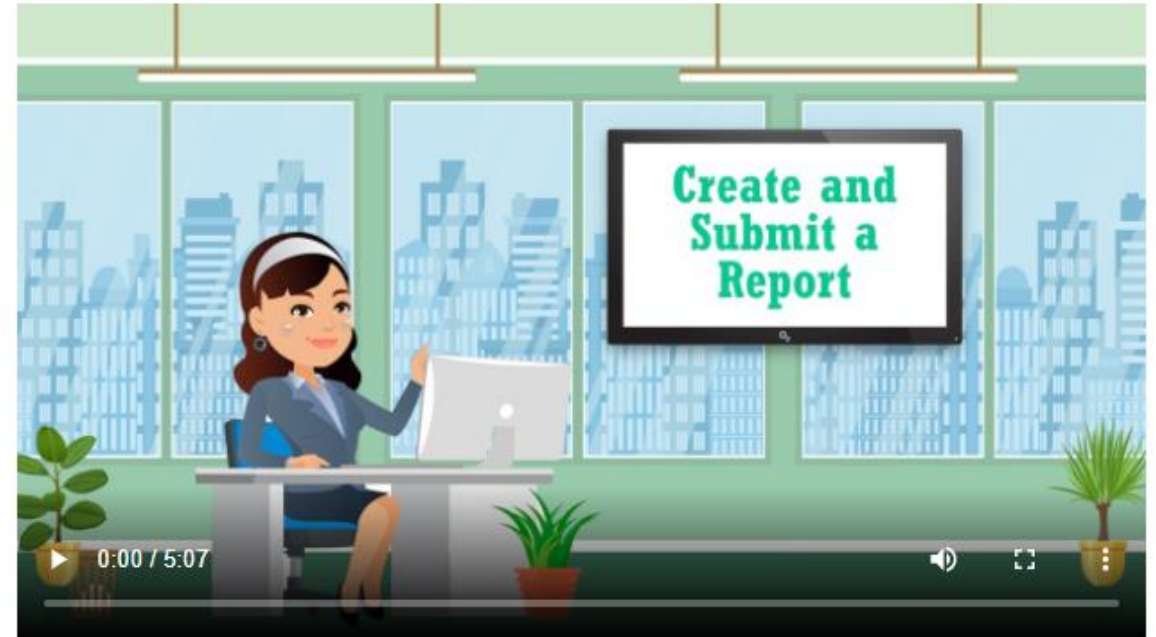
- Unforeseen circumstances can arise, so extensions are available in certain cases
- Contact us at unclaimed@sto.sc.gov to request an extension prior to November 1
- Extensions only apply to properties reportable for the current reporting year (not past-due properties)

PAST-DUE PROPERTY

- If your organization is holding past-due unclaimed property, we are dedicated to helping you become compliant with the law
- Contact us (803) 737-4771 or unclaimed@sto.sc.gov to discuss your situation
- Our Voluntary Disclosure Program will allow you to report past-due property without interest or penalties

RESOURCES AT TREASURER.SC.GOV :

- How-to videos and tips
- Reporting deadlines
- Sample due diligence letters
- The reciprocity matrix
- Access the holder portal for reporting and remitting property



QUESTIONS?

Contact us at:

803-737-4771

unclaimed@sto.sc.gov

We are here to help!

DISCLAIMER

- This presentation is an overview of the SC Uniform Unclaimed Property Act
- More information is available on our website at www.treasurer.sc.gov
- Laws vary from state to state