



UNCLAIMED PROPERTY Reporting & Updates

ILLINOIS STATE TREASURER'S OFFICE

WWW.ILLINOISTREASURER.GOV/ICASH

Michael W. Frerichs
ILLINOIS STATE TREASURER

Welcome!



IL County Treasurer's Association
Spring Conference
April 10, 2018
Springfield, IL



Contact Information

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What is Unclaimed Property?

Unclaimed property is just about any kind of property that is separated from the owner and has remained unclaimed for a specified number of years, excluding real estate or anything with a property title.



Definitions

Owner – A person who has a legal, beneficial, or equitable interest in the unclaimed property.

Holder – A person (or entity) obligated to hold for the account of, or to deliver or pay to, the owner, property subject to the unclaimed property Act (765 ILCS 1026/).

Due Diligence – The reasonable attempt by a holder to locate or notify apparent owners of unclaimed property as required by the Act.



Common Examples of Unclaimed Property Held by Government Agencies

- Property Tax Overpayments
- Refund Checks
- Condemnations
- Estates



When Does Property Become Unclaimed?

- Currently property held by government entities is assumed inactive when unclaimed for 3 years and attempts to locate the owner by the holder have been unsuccessful.
- After 3 years, unclaimed property shall be reported to the Illinois State Treasurer's Office. Our office holds the property until the rightful owner can be identified.
- Effective 1/1/18 the abandonment period for government entities went down from 5 years to 3 years.



Recent Changes – Revised Uniform Unclaimed Property Act (see handout)

In 2017, the Treasurer's office worked with the General Assembly to update the state's unclaimed property laws. There are several key changes reflected in the new act, including but not limited to:

- \$50 threshold instead of \$10 for due diligence letters
- Reporting property after 3 years instead of 5 years
- Closing the business-to-business loophole
- Data sharing with the IL Dept. of Revenue to find owners
- Clear standards for life insurance properties



REPORTING

Unclaimed Property



When Are You Required to Report?

Revised Uniform Unclaimed Property Act:

765 ILCS 1026 Section 15-401 – Report Required by Holder

Holders required to report before May 1:

- Business Associations (including NPOs)
- Utilities
- Life Insurance Corporations



When Are You Required to Report?

Revised Uniform Unclaimed Property Act:

765 ILCS 1026 Section 15-401 – Report Required by Holder

Holders required to report before November 1:

- Governmental entities
- All banking and financial organizations
- Insurance companies (excluding life insurance)



How Do I Report?

Annual holder reports are to be completed and submitted entirely online at:

<https://icash.illinoistreasurer.gov/app/holder-info>

You may contact our office at (217)785.6998 for assistance.



Reporting Requirements

- Online reporting is required (unless given permission for paper filing) using NAUPA standard format (templates available on website).
- For any amount \$5 or greater, we require detailed information on the property owner such as:
 - *Name, Last known address including zip code, and SSN or FEIN, if known.*
- All unclaimed property, regardless of amount, is required to be reported to the Treasurer's Office.
- Aggregate reporting allowable for properties under \$5.00.
- 10 year retention of records by holder required after filing report or date report was due.



Reporting

Let's Walk Through
the Process...

www.illinoistreasurer.gov/ICASH





Select 'Reporting Property' and in the dropdown box click 'Submit a Report'.

The screenshot shows the website for Michael W. Frerichs, Illinois State Treasurer. The header includes the state seal, the treasurer's name, and social media icons. The navigation menu has "Reporting Property" selected, with a dropdown menu showing "Submit a Report" highlighted by an orange arrow. A large banner features a photo of the treasurer and text stating: "WE PAID OUT MORE THAN \$300 MILLION IN ASSETS DURING THE LAST TWO YEARS. Click below to see if there is any unclaimed property owed to you. GET STARTED". Below the banner is a "Welcome to the Illinois State Treasurer's Unclaimed Property Page" section with a paragraph of text and a link to the "About" section. At the bottom, there are two boxes: "CLAIMING A PROPERTY" and "CHECK A CLAIM'S STATUS", each with a brief instruction.

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Unclaimed Property | **Reporting Property** | About | Other Programs | FAQs

Submit a Report
Submit a Payment
Reporting Guidelines
Voluntary Disclosure Program
Deadlines

WE PAID OUT MORE THAN \$300 MILLION IN ASSETS DURING THE LAST TWO YEARS
Click below to see if there is any unclaimed property owed to you
GET STARTED

Welcome to the Illinois State Treasurer's Unclaimed Property Page
The State Treasurer is holding 2.9 billion dollars in unclaimed funds for Illinoisans. The State holds these lost funds until they are claimed by either the original owner or their heirs. Property is returned at no cost with the proper identification.
For more information, please visit our About section at the top of the page.

CLAIMING A PROPERTY
Enter information in the fields below to see if you have any unclaimed property:

CHECK A CLAIM'S STATUS
Enter your Claim ID to see the status of a Claim you have submitted to the Illinois State Treasurer's Unclaimed Property Division:

Reporting

Step 1: Entering holder information



[← HOME](#) **HOLDER REPORTING** 

1. **Holder Information** > 2. File Upload > 3. Preview > 4. Summary

[← PREV](#) **ENTER HOLDER INFORMATION:** [NEXT ▶](#)

Please enter the following information: * Required field

Primary Holder Info

* Holder Name:

* Holder Tax ID:

Holder ID: ?

* Holder Contact:

* Contact Phone No.:

Phone Extension:

* Email:

* Email Confirmation:

State:

Report Info

* Report Type:

Report Year:

Reporting

Step 2: Entering report details and statistics



Report Info

* Report Type: Annual Report

Report Year: 2017

* This is a Negative Report: Yes
 No

* Reported Amount: \$.

* Amount To Be Remitted: \$.

Statistics

* Number of Employees:

* Annual Sales/Premiums:

* Total Assets:

This site is secured by a Entrust SSL certificate. All of your details will remain confidential, accessible only by Unclaimed Property Officials, and for claims processing purposes only.

Reporting

Step 3: Uploading files



← HOME

HOLDER REPORTING



1. Holder Information > 2. Report Details > **3. File Upload** > 4. Preview > 5. Summary

← PREV

UPLOAD FILE:

NEXT ▶

Upload Your Report:

SECURITY INFORMATION: This site is secured by a DigiCert SSL certificate. Once you upload your NAUPA file, its contents will be encrypted and transferred securely into the state's database.

SUBMISSION GUIDELINES:

- Each file must conform to the **NAUPA II Standards**
- File extension must be .txt or .hrs
- Record lengths do not exceed 625+ CR/LF bytes
- The first character of the file is the numeral '1'
- The last record of the file starts with the numeral '9'
- The file contains no control or high-level characters

Upload This Report:

Special Reporting Requirements When Uploading Files

- Reporting is required using NAUPA standard format for all reports.
- Links to available and downloadable reporting software that provide output files in the NAUPA Standard format can be found on our Web site at:

[HTTPS://ICASH.ILLINOISTREASURER.GOV/APP/FAQ-LINKS](https://icash.illinoistreasurer.gov/app/faq-links)

- Reporting software is provided by outside companies and may require a paid subscription depending on the size of reports being submitted.



Reporting

Step 4:
Previewing report
and submitting



[← HOME](#) **HOLDER REPORTING** 

1. Holder Information > 2. Report Details > 3. File Upload > **4. Preview** > 5. Summary

[← PREV](#) **PREVIEW SUBMISSION:** [SUBMIT](#)

By clicking "Submit" I hereby verify, under penalties of perjury, that the facts contained herein are true, and I am duly authorized to execute this verification by the holder and by law as outlined in Section 11 of the [Illinois Uniform Disposition of Unclaimed Property Act \(765 ILCS 1025/11\)](#).

Enter/Type Name here:

Information Summary:

Holder Name: jeffs place	Report Year: 2016
Holder Tax ID: 36-1234567	Report Type: Annual Report
Contact Name: jeff Winger	
Contact Phone No.: 217-524-0023	
Phone Ext.:	
Email: jwinger@illinoistreasurer.gov	

Report Uploaded:

I have unclaimed property to report for the selected year.
wasingtonReciproc2013.txt

Reporting

Step 5:
File uploaded!

Once completed,
this is when to
send payment
remittance.



← HOME

HOLDER REPORTING

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1. Holder Information > 2. Report Details > 3. File Upload > 4. Preview > 5. Summary

← PREV

UPLOAD FILE:

BACK TO HOME

 **Report Successfully Submitted For Processing**

Your report has been submitted and will be reviewed. If incomplete, the department will contact you with further instructions. If accepted, you will receive a receipt once verified.

Information Summary:

Holder Name: jeffs place	Report Year: 2016
Holder Tax ID: 36-1234567	Report Type: Annual Report
Contact Name: Jeff Winger	
Contact Phone No.: 217-524-0023	
Phone Ext.:	
Email: jwinger@illinoistreasurer.gov	

Report Uploaded:

I have unclaimed property to report for the selected year.
wasingtonReciproc2013.txt

Holder Payment

Once your report has been submitted, you have the option to also submit payment of the unclaimed property.

<https://icash.illinoistreasurer.gov/app/holder/payment/search>





A similar process is followed for payment of unclaimed property.

Select 'Reporting Property' and in the dropdown box click 'Submit a Payment'.

The screenshot shows the website for Michael W. Frerichs, Illinois State Treasurer. The page has a dark blue header with the treasurer's name and title, and social media icons for Facebook, Twitter, YouTube, and Instagram. Below the header is a navigation menu with options: Unclaimed Property, Reporting Property (highlighted in orange), About, Other Programs, and FAQs. A dropdown menu is open under 'Reporting Property', listing: Submit a Report, Submit a Payment (highlighted in orange), Reporting Guidelines, Voluntary Disclosure Program, and Deadlines. An orange arrow points to the 'Submit a Payment' option. The main content area features a large banner with the text: "PAID OUT MORE THAN \$300 MILLION IN ASSETS DURING THE LAST TWO YEARS" and "Click below to see if there is any unclaimed property owed to you" with a "GET STARTED" button. Below the banner is a section titled "Welcome to the Illinois State Treasurer's Unclaimed Property Page" with a paragraph: "The State Treasurer is holding 2.9 billion dollars in unclaimed funds for Illinoisans. The State holds these lost funds until they are claimed by either the original owner or their heirs. Property is returned at no cost with the proper identification." and a link: "For more information, please visit our About section at the top of the page." At the bottom, there are two columns: "CLAIMING A PROPERTY" with the instruction "Enter information in the fields below to see if you have any unclaimed property:" and "CHECK A CLAIM'S STATUS" with the instruction "Enter your Claim ID to see the status of a Claim you have submitted to the Illinois State Treasurer's Unclaimed Property Division:".

Payment

Step 1: Search for Report w/ Tax ID

[◀ HOME](#)

HOLDER PAYMENT



[◀ PREV](#)

PAYMENT INFO

[NEXT ▶](#)

SEARCH FOR REPORT

To search for a report, enter a Tax Identifier into the Tax Identifier field at right and click Search. Select the report that you wish to pay. Please note that this portal can only accept payments for reports submitted through this website after 02/14/2018. If your report was submitted previously, you will have to pay by other means.

Tax Identifier:

 [SEARCH](#)

Date Submitted	Holder Name	Amount	Select
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Payment Step 2: Select the Report for payment and Submit

[◀ HOME](#)

HOLDER PAYMENT

[◀ PREV](#)

PAYMENT INFO

SEARCH FOR REPORT

To search for a report, enter a Tax Identifier into the Tax Identifier field at right and click Search. Select the report that you wish to pay. Please note that this portal can only accept payments for reports submitted through this website after 02/14/2018. If your report was submitted previously, you will have to pay by other means.

Date Submitted	Holder Name	Amount
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Due Diligence

- A holder is required to do a due diligence mailing to owners on any property over \$50 before remitting (previously \$10).
- Due diligence by email is required in addition to first class mail if owner consented to email.
- The letter, via first class mail, must be sent to the owner's last known address between 60 and 365 days before the report is made to our office. The letter shall include:
 - > *Steps of how the owner can retrieve or have the holder maintain the property.*
 - > *Statement that once property is remitted to the State, the owner can file a claim with the Treasurer's Office and that the office is a perpetual custodian for the abandoned property.*
 - > *Name, address, position and phone # of person to contact of the holder.*



Voluntary Disclosure Agreements (VDA)

- The use of VDAs is for:
 - > A first-time reporter who should have been reporting in the past.
 - > A holder that is a reporter but has now located property that should have been reported in the past.
- VDAs are used to encourage compliance, not for “gotcha”.
- Treasurer will not impose fines and penalties for previous non-compliance related to properties covered by the VDA.



VDA Form (Available online)



Michael W. Frerichs
ILLINOIS STATE TREASURER

Voluntary Disclosure Agreement

This Agreement is made and entered into this day of , 20 by and between **The Illinois State Treasurer's Office**, (The "Treasurer") and the (the "Holder").

RECITALS

WHEREAS, (Holder), is Incorporated in .

WHEREAS, the Holder is voluntarily notifying the Treasurer of its potential liability under the Illinois Disposition of Unclaimed Property Act (the "Act") in an effort to correct any previous underreporting; and

WHEREAS, the Holder is not currently under examination nor, to its knowledge, has it been notified by the Treasurer, or by anyone acting on behalf of the Treasurer, of the Treasurer's intention to conduct an unclaimed property examination of the Holder;

WHEREAS, because of the Holder's voluntary disclosure, the Treasurer stands to obtain property that, otherwise, might have gone unreported;

NOW, THEREFORE, the Treasurer and the Holder hereby agree as follows:

1. The foregoing recitals are hereby incorporated herein and made an express part of this Agreement.
2. The Holder shall complete an audit of its books and records and file a report of findings for the period required for the presumptive abandonment plus the nine (9) years immediately preceding the beginning of the period. The Holder shall also file a report for the current reporting period in a timely manner.
3. If estimation techniques were used to determine the Holder's unclaimed property for periods where records were not maintained, the Holder will provide a written explanation of the techniques and principles used in coming to their estimations. The Treasurer shall then approve the estimation techniques employed by the holder before any estimated remittance is made and penalties are waived.
4. The Holder shall be required to submit their remittance on form UPD601 and include owner details in an electronic format approved by the Illinois State Treasurer's Unclaimed Property Division. (Forms and format are available at www.illinoistreasurer.gov if you follow the I-Cash link.) The Holder report and subsequent monetary findings will be due in the Treasurer's office no later than six (6) months from the date the Agreement is signed by the Treasurer's Office.
5. The Holder and the Treasurer agree that the Treasurer maintains the right to perform an examination of the Holder's books and records to determine the Holder's unclaimed property obligations for fourteen (14) years to present (the "Examination Period"), or date of incorporation, whichever is older.
6. All fees, penalties and interest, otherwise attributable to Holder's unclaimed property obligation for the Examination Period shall be waived by the Treasurer if the Holder achieves compliance with the Illinois Uniform Disposition of Unclaimed Property Act.



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Voluntary Disclosure Agreement

7. By executing this Agreement, the undersigned Holder hereby represents and warrants that they will maintain records enabling them to annually report the names and addresses of individuals for whom they are required to report unclaimed property. Failure to maintain said records following the execution of this document renders the Agreement null and void.
8. If any of the representations made by the Holder in this Agreement are false or misleading, this Agreement becomes null and void and the Treasurer may assess any fees or penalties allowed by the Act and commence any other action permitted by law. The Treasurer may, at any time during the course of this Agreement, terminate the Agreement by providing written notice to the Holder.
9. This Agreement shall be effective upon execution by the parties hereto and thereafter shall be binding upon the Treasurer and the Holder, its successors and assigns.
10. Any modifications or changes made to the Agreement by the Holder will not be accepted by the Treasurer.
11. The persons signing this Agreement certify that they have the power to enter into and execute this Agreement.

Holder

By:
Printed Name:
Title:
Phone:

Address and contact to be used for reporting form

Street Address:
City, State, Zip:
Contact:
Phone:

The Illinois State Treasurer's Office Unclaimed Property Division

By:
Jeff Winingar
Reporting & Technical Review Administrator
Date:

Please return signed Agreement to:

Office of the Illinois State Treasurer
Attn: Jeff Winingar
Suite 100
1 West Old State Capitol Plaza
Springfield, IL 62701



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ILLINOIS STATE TREASURER

Filing Extensions

- The Illinois State Treasurer's Office wants to encourage compliance with the Act.
- 74 Ill. Adm. Code 760.25 allows for filing extensions to be granted by the Treasurer's Office in certain situations.
- Requests for extension must be received at least **15 business days** in advance of the report due date.



Filing Extensions (cont'd)

- The request must include a reasonable cause for the delay of the report:
 - Natural disaster
 - Criminal activity related to the holder's books and records
 - Recent changes in the form of ownership of the holder through merger, acquisition or reorganization, and,
 - For a holder having three or fewer employees, a recent change in management.



Filing Extensions (cont'd)

- Reasonable cause does not include a failure of a holder to perform a requirement such as due diligence pursuant to the *Revised Uniform Unclaimed Property Act*.



What Happens After a Report is Received?

- The Treasurer's Office places advertisements in newspapers in each Illinois county twice annually encouraging residents to search for unclaimed property.
- Letters are also sent to owners w/ confirmed addresses that have property of \$100 or greater, any stock/mutual funds, and safe deposit contents.
- Names of all owners are listed and are searchable on the I-Cash website where the public may initiate claims for their property.



Common Q & A

Q: Does the state ever take ownership of unclaimed property?

A: No. The state serves as custodian of the assets and never takes ownership of them. Generations from now, a family member could claim your property with the right paperwork.



Common Q & A (cont'd)

Q: Do you auction off unclaimed property?

A: Yes. Each year, the treasurer's office receives the contents of safe deposit boxes that have been inactive for five years.

If the owners or their heirs do not come forward to claim the contents within 5 years, we may sell the items and hold the proceeds for the rightful owner. Auction items include jewelry, coins, stamps and other collections. No military items are ever sold at auction.



Common Q & A (cont'd)

Q: What should we do if property is claimed by an owner prior to deliver to your office?

A: Notify our office by letter stating that the customer has claimed his/her property directly from you. This allows us to update our records.



Additional Information

- Illinois is a custodial state. We never take ownership of the assets.
- Unclaimed property inquiries are FREE. There is NO cost to any resident to search for and claim their property.
- The Revised Uniform Unclaimed Property Act and Rules can be obtained by visiting our website:

<https://icash.illinoistreasurer.gov/app/ucp-law>



Questions?

To obtain more information, please contact the Illinois State Treasurer's Office at www.illinoistreasurer.gov/

Or you may contact the office at:

Phone: (217)785.6998

Fax: (217)557.9365

