



THE HONORABLE CURTIS M. LOFTIS, JR.
State Treasurer

Reporting Unclaimed Property Frequently Asked Questions

- 1. What is unclaimed property?** Unclaimed Property is any intangible property not in the possession of its owner. Examples of unclaimed property include outstanding checks (payroll, accounts payable, refund checks, annuities, dividends, etc.), dormant savings and checking accounts, securities, insurance policy benefits, credit balances, utility deposits and more.
- 2. Why do I have to report unclaimed property to the State Treasurer's Office?** It's the law. The South Carolina Unclaimed Property Act requires any person who is in possession of property belonging to another; a trustee; or indebted to another on an obligation, to report unclaimed property by November 1 each year. For purposes of the Act, a person is defined as an individual, business association, state or other government, governmental subdivision or agency, public corporation, public authority, estate, trust, two or more persons having a joint or common interest, or any other legal or commercial entity.
- 3. What is the purpose of the Unclaimed Property Act?** The law provides consumer protection by serving as a custodian of unclaimed property until the rightful owner can be located. The State Treasurer's Office actively searches for owners and also provides a centralized database for consumers to search for their unclaimed property. Last year, the program returned over \$31 million in unclaimed property to its rightful owner.
- 4. Do I have to submit a report even if I do not have any unclaimed property to report?** Yes. An organization must review its records every year to determine if it is holding unclaimed property. If no unclaimed property is identified, the organization will confirm no property is due by submitting a "negative" report via the State Treasurer's Office website.
- 5. Are there any penalties for failing to submit an unclaimed property report?** The South Carolina Unclaimed Property Act allows for certain interest and penalties to be assessed when a holder of unclaimed property fails to report. For 2019, no penalties will be assessed for failure to submit a report when no property is due.
- 6. Is there a minimum amount that is reportable?** No. There is no reporting exemption based on a minimum amount.

7. **Does the law only require you to report unclaimed property due to an individual?** No. The law requires holders of unclaimed property to report all property belonging to another. This includes property owed to another business.
8. **Does a company have to report prior obligations that have been reversed to an expense account, taken to income or otherwise written off?** Yes. Past obligations that have been written off or taken to income are reportable. The Unclaimed Property Act prevents businesses from circumventing the unclaimed property reporting requirement by making a private escheat.
9. **How do I identify unclaimed property?** You should conduct an annual review of your records to determine if you are holding unclaimed property. The most commonly reviewed records include accounts payable, accounts receivable, bank reconciliations and outstanding checks, credit balances, bonuses and commissions, customer credits and rebates, escrow accounts, payroll checks, stocks and dividends, utility and security deposits and third-party contracts for services related to any of the above record types.
10. **When is something reportable to the State?** If there has been no activity on the unclaimed property for a set period of time (i.e., dormancy period), the holder of the property must report it to the Unclaimed Property Program. Dormancy periods vary by property type. For example, payroll is reportable after one year, but most other types of property are reportable after five years.
11. **How do I file a report?** Reports must be submitted electronically via the State Treasurer’s website by November 1. (The State Treasurer’s Office has posted several video tutorials on its website to walk you through the process).

If you identify reportable property, the unclaimed property report may either be uploaded to the website in the prescribed format or created with a tool on the website. If you do not have any unclaimed property to report, you will file what’s called a “negative report”. From the website, click to “Upload a Report” and after entering your company’s name and contact information, click the box to file a negative report.
12. **What if I can’t make the November 1 deadline?** If you are unable to submit your unclaimed property report by the deadline, you may request an extension before November 1 by emailing unclaimed@sto.sc.gov. Please include the name of your business, your FEIN and the reason you are requesting an extension.
13. **What if I have past-due unclaimed property to report?** Our goal at the State Treasurer’s Office is to educate the business community and support them as they come into compliance with the law. If you suspect your organization may be holding past due unclaimed property, we offer a Voluntary Disclosure Program which allows a business to “catch up” its reporting without incurring any interest or penalties. Requests for entry into the Voluntary Disclosure Program can be made by emailing the office at unclaimed@sto.sc.gov.
14. **Who do I contact with questions?** Unclaimed property reporting specialists can be reached at (803)737-4771 or unclaimed@sto.sc.gov.