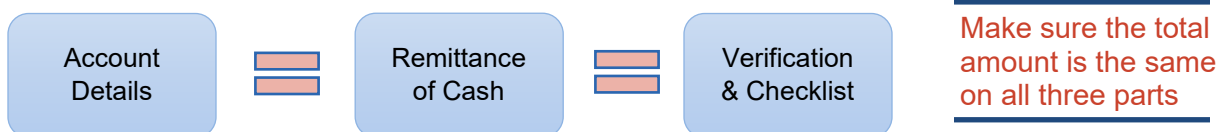


## Unclaimed Property Relating to Court and Other Funds – Reference Sheet

Schedule of Events for Article VI	
January 1	Cut-off date – if funds have become dormant in the year prior to this date, they should be included in this report cycle
January 10	First-class mailing completed
February 1	Publication notice completed
February 10	Proof of publication is received in our office
	Certified mailing completed
April 10	Final report, Verification and Checklist and remittance is received in our office by the close of business

**How to Report (Article VI due 4/10)** - Include the following when reporting:

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



Visit our website at: <https://www.osc.ny.gov/unclaimed-funds/reporters> for more details including forms and contact information.

### Applicable Property Types

New York	NAUPA II	Property Type Description	Dormancy Period
7A	CT05	Other court deposits	3 years
7B	CT11	Bail refund	3 years
7X	CT21	Other checks (courts and other government entities)	Varies – see “Unclaimed Property” and “Statutory Considerations” sections
8X	ZZZZ	Late filing interest	

## Unclaimed Property Relating to Court and Other Funds

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This document is supplemental to the [Handbook for Reporters of Unclaimed Funds](#) and contains information which corresponds to Article VI of New York's Abandoned Property Law (APL). For more information, refer to [Article VI](#) of the statute.

This document includes the following sections:

[Unclaimed Property](#)

[Statutory Considerations in Addition to Article VI](#)

[Important Issues](#)

[Publication](#)

[Mailing Requirements](#)

[Remittance](#)

[Publication Sample](#)

[Schedule of Events for Article VI](#)

## Unclaimed Property

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Property subject to the reporting requirements of Article VI of the APL includes:

- Any moneys, including the proceeds from the sale of tangible personal property and securities or other intangible property, paid into court and remaining with a County Treasurer or the Commissioner of Finance of New York City.
- Monetary proceeds representing any legacy or distribution share due an unknown person as specified in §2222 of the Surrogate's Court Procedure Act.
- Moneys paid into a court based on a condemnation proceeding for which no award has been issued.

Under Article VI of the APL, any money paid into the courts which has remained with a County Treasurer or the Commissioner of Finance of the City of New York for three years is deemed abandoned and reportable to this Office.

Accordingly, it is the date of receipt of such funds by a County Treasurer or the Commissioner of Finance which commences the three-year dormancy period. Communication regarding the funds, or additional deposits to the account holding the funds, does not extend the dormancy period.

However, the account may be excluded from the report to this Office if the right to receive such account has been established to the satisfaction of the County Treasurer or the Commissioner of Finance, for example, where it is apparent that the funds will be paid out pursuant to a court order in the very near future. If the excluded account is not paid by the cut-off date of the following year, the account must be reported to this Office with the following year's report.

## Statutory Considerations in Addition to Article VI

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### Due Diligence

#### *APL Section 1422*

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 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.

### Electronic Contact

#### *2 NYCRR § 125.1*

Certain types of electronic contact can be used to satisfy the written communication requirements in the APL to prevent the property from being deemed abandoned. This includes email communication from the entitled owner of the property that matches the registered email address on record with the holder or a verifiable login by the owner using a website or mobile application made available by the holder.

### Interest on Funds Paid into Court

#### *2 NYCRR §§ 70.8 and 70.11*

All court and trust funds and moneys paid into a court of record must be deposited in a depository designated by the Comptroller. Accumulated interest on such funds is required to be reported to the Comptroller.

### Legacy or Distribution Shares

#### *Surrogate's Court Procedure Act §§2222, 2223, and 2224*

The monetary proceeds of any legacy or distribution share submitted with the payment should be reported as property codes: 7A or 7X.

### Wrecked Property Proceeds

#### *APL Section 1307*

Proceeds of perishable wrecked property have a dormancy period of one year from the sale of such perishable goods. Proceeds from the sale of nonperishable goods are to be paid immediately to the Comptroller. The Important Issues, Publication requirements and Sample, and the Schedule of Events laid out in this document do not apply to §1307 of the APL.

## Important Issues

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### Bail Funds

Use three years from receipt by the County Treasurer or Commissioner of Finance of the City of New York. If the County Treasurer or the Commissioner of Finance of the City of New York has notice that the bail funds have not been exonerated, these funds should not be reported.

### Court Index Number

Enter the court index number in the Account Number field.

### Description of Funds

It is important to include the title of the action or proceeding related to the funds you are reporting. Enter this information in the Description field.

### Dormancy Period

Start the dormancy period on the date the property is received by the County Treasurer or, in the City of New York, the Commissioner of Finance, and note the date in the Starting Transaction Date field on the report. Note any pertinent additional information in the Description field on the report. Some examples include:

- the original deposit date; and
- the date when the funds were received from the court.

### Entitlement

Funds become abandoned even when entitlement to the funds has not been determined by a decision or order of the applicable court. Furthermore, the subsequent appeal of a decision or order does not preclude funds held from becoming abandoned.

### Special Instructions

Due to the nature of the court funds, you should strictly adhere to the Comptroller's guidelines for completing reports.

Submit items from different courts within the same county (surrogate, supreme, city, etc.) on separate reports, with a separate Verification and Checklist and remittance for each court.

When providing the reporting organization name and address information on the Verification and Checklist, you must enter the county in which the court is located along with the type of court, e.g., Albany County Supreme Court, and the name of the intermediary public office with which the funds have been deposited, e.g., Albany County Treasurer.

## Publication

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The law requires you to:

- Publish a notice of unclaimed property that consists of the names and last known addresses, sorted alphabetically by the owner's last name or business name, of all persons or entities appearing to be entitled to unclaimed funds amounting to \$50 or more. The notice shall state that:
  - A report of unclaimed amounts of money or other property has been made to the State Comptroller and that a listing of names of persons appearing to be entitled is on file and open to public inspection at *[name of the holder]*.
  - Such held amounts of money or other property will be paid or delivered to proven entitled parties by *[name of the holder]* through March 31.
  - On or before April 10, any remaining unclaimed moneys or other properties will be paid or delivered to the State Comptroller

Publish:

- On or before February 1.
- One time in two newspapers published in the county where such abandoned property is held. If there is only one newspaper published in that county, such notice shall be published in that newspaper, or, if there are no newspapers published in such county, then in a newspaper published in an adjacent county.

File proof by affidavit of publication with the State Comptroller on or before February 10. Our preferred method is by email to [NYSRPU@osc.ny.gov](mailto:NYSRPU@osc.ny.gov).

Publications should be in English. The cost of subsequent publications is not deductible. This office advises not including additional details in the notice and using a readable font size for printing. See [2 NYCRR 116](#) for more information.

## Items to Disqualify

When determining what items to publish in the list of names, disqualify any items for which one of the following is true:

- The item value is less than \$50.
- You don't have an address on record, or the address is in a foreign country.

After applying the above criteria, disqualify all remaining items if:

Payable:	and	Sum of the value of all advertised items is less than:
within a New York City County (New York, Kings, Queens, Richmond or Bronx)		\$10,000
in a county outside of New York City		\$2,500

Publish any items remaining after disqualifications. Remember to only list an individual's or entity's name once.


## Allocation of Publication Costs

Allocate publication costs to a list of names on a pro rata basis. Use one of the following methods to allocate costs to items published; both will yield the correct allocation amount.

### Percentage Method

Divide the amount of the item you are publishing by the total amount of the items you are publishing in that county and multiply the quotient by the total advertising expense.

For example: You are publishing a \$100 item along with other items (in the same county). The total for all items is \$10,000, and the total advertising expense for this county is estimated at \$50.


$\frac{\$ 100}{\$10,000}$		$.010 \times \$50 = \$0.50$
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The cost allocated to the \$100 item would then be \$0.50.

### Cost Per Dollar Method

Divide the estimated total advertising expense for a particular county by the total amount of the items to be published in that county. The resulting percentage is then multiplied by the face value of the item being advertised to determine the amount of advertising charges to be applied to that item.

Using the example above, the calculation is:

$\frac{\$ 50}{\$10,000}$		$.005 \times \$100 = \$0.50$
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For the example above, regardless of the method applied, the publication cost you could deduct is \$0.50. You may not make a bulk deduction for the publication against the total value of the report.

## Waiver of Publication Requirements

### 2 NYCRR §117

The County Treasurer or Commissioner of Finance of the City of New York may waive the publication requirement of §601 of the APL if the advertising expense is estimated to be greater than 20 percent of the total value of the property to be advertised.

If you have special circumstances that make it desirable to not publish the names and last known addresses of persons apparently entitled to items of property listed in the report of abandoned property, you may request a waiver of publication requirements from the State Comptroller's Office.

## Mailing Requirements

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### 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,
  - The holder can demonstrate that the address it maintains for the owner is not the owner's current address, or
    - Note – if you use an address validation service and find a new address for the owner, you may send the mailing 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 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 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. The costs for completing the first-class mailing requirements cannot be offset.

## Foreign Addresses

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.

## Multiple Items

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

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## Requirements

Submit your remittance at the time you file a report; this Office should receive them by close of business on April 10<sup>th</sup>. 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. Find instructions including the account and routing number information in the [Electronic Funds Transfer Instructions](#).

## 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, 2<sup>nd</sup> 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.

## Publication Sample

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### **NOTICE OF NAMES OF PERSONS APPEARING AS OWNERS OF CERTAIN UNCLAIMED PROPERTY HELD BY [title of officer]**

#### **NOTICE IS HEREBY GIVEN**

Pursuant to Section 601 of the Abandoned Property Law of the State of New York that:

The undersigned as [title of officer] has on deposit or in such officer's custody certain moneys and property paid or deposited in actions or proceedings in the several courts in the said county.

The persons whose names and last-known addresses are set forth below appear from the records of the said [title of officer] to be entitled to certain such property of the amount of \$50 or more.

#### **DEPOSITED IN ACTIONS OR PROCEEDINGS IN COUNTY COURT**

William Buckley, 126 Rand Street, Delmar, NY 12054

Joseph and Mary Carter, 54 Washington Avenue, Schenectady, NY 12304

John Diamond, 67 Dove Street, Albany, NY

#### **IN SURROGATES COURT**

Donna Bradley, 448 Bender Road, Amsterdam, NY

Edward Jones, 24 Robin Street, Johnstown, NY

#### **IN SUPREME COURT**

P Mason, 714 Madison Avenue, Albany, NY

Susan Walker, 248 Lincoln Avenue, Syracuse, NY

#### **TAKE FURTHER NOTICE THAT**

- (A) A list of names contained in this notice is on file and open to public inspection at the [office of the officer];
- (B) Any such unclaimed moneys or other property will be paid or delivered by [him/her] on or before the thirty-first day of March to persons establishing to [his/her] satisfaction their right to receive the same; and
- (C) In the succeeding month of April, and on or before the tenth day thereof, such unclaimed moneys or other property still remaining will be paid or delivered to the Comptroller of the State of New York, and the undersigned shall thereupon cease to be liable thereof.

**[Date]**

**[Name of Officer]**

**[Name of Municipality]**

## Schedule of Events for Article VI

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### January 1

For the purposes of reporting abandoned property, a court's year runs from January 2 through the following January 1. January 1 is the cut-off or ending date for the reporting period. Use it when identifying abandoned accounts/items.

### January 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.

### January 2 through January 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 find items 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 balance) reports.

### February 1

By this date:

- Publish items from your report. You may deduct publication costs from the account's value.

### February 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 funds 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 the 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 the owner.
- File proof of publication by email to [NYSRPU@osc.ny.gov](mailto:NYSRPU@osc.ny.gov), including an invoice, a copy of the advertisement and an affidavit.

### February 11 through March 31

During this period:

- Update your report as necessary to reflect any activity that has occurred.
- Complete report removals based on any contacts with owners.

### On or before April 10

By this date:

- Finalize the report.
- Arrange for payment.
- Submit the report, payment, and a Verification and Checklist to be received in our Office by the close of business.