

HOUSE BILL NO. 48
INTRODUCED BY HARRINGTON

IN THE HOUSE

January 5, 1987	Introduced and referred to Committee on Taxation.
January 7, 1987	Committee recommend bill do pass. Report adopted.
January 8, 1987	Printing report.
January 9, 1987	Second reading, do pass.
January 10, 1987	Engrossing report. Third reading, passed. Transmitted to Senate.

IN THE SENATE

January 12, 1987	Introduced and referred to Committee on Taxation.
January 20, 1987	Committee recommend bill be concurred in. Report adopted.
January 23, 1987	Second reading, concurred in.
January 26, 1987	Third reading, concurred in. Ayes, 44; Noes, 6. Returned to House.

IN THE HOUSE

January 28, 1987	Received from Senate. Sent to enrolling.
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1 HOUSE BILL NO. 48
 2 INTRODUCED BY HARRINGTON
 3 BY REQUEST OF THE DEPARTMENT OF REVENUE

4
 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO REDUCE THE HOLDING
 6 PERIOD OF UNCLAIMED PROPERTY FROM 7 YEARS TO 5 YEARS; TO
 7 REQUIRE A REPORT OF ABANDONED PROPERTY EACH YEAR; AND
 8 AMENDING SECTIONS 70-9-106, 70-9-201 THROUGH 70-9-204,
 9 70-9-206 THROUGH 70-9-209, AND 70-9-301, MCA."

10
 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Section 70-9-106, MCA, is amended to read:
 13 "70-9-106. Uniform Unclaimed Property Act superseded.
 14 The provisions of Title 22, chapter 3, part 5, supersede the
 15 provisions of parts 1 through 3 of this chapter, except that
 16 at its option a museum, as defined in 22-3-503, may report
 17 property, as defined in 22-3-503, that has been on loan, as
 18 defined in 22-3-503, unclaimed by its owner for more than 7
 19 5 years to the department of revenue for disposition as
 20 provided in part 3 of this chapter."

21 Section 2. Section 70-9-201, MCA, is amended to read:
 22 "70-9-201. Property held by banking or financial
 23 organization or business association. The following property
 24 held or owing by a banking or financial organization or by a
 25 business association is presumed abandoned:

1 (1) any demand, savings, or matured time deposit made
 2 in this state with a banking organization, together with any
 3 interest or dividend thereon, excluding any charges that may
 4 lawfully be withheld, unless the owner has within 7 5 years:

5 (a) increased or decreased the amount of the deposit
 6 or presented the passbook or other similar evidence of the
 7 deposit for the crediting of interest;

8 (b) corresponded in writing with the banking
 9 organization concerning the deposit; or

10 (c) otherwise indicated an interest in the deposit as
 11 evidenced by a memorandum on file with the banking
 12 organization;

13 (2) any funds paid in this state toward the purchase
 14 of shares or other interest in a financial organization or
 15 any deposit made therewith in this state and any interest or
 16 dividends thereon, excluding any charges that may lawfully
 17 be withheld, unless the owner has within 7 5 years:

18 (a) increased or decreased the amount of the funds or
 19 deposit or presented an appropriate record for the crediting
 20 of interest or dividends;

21 (b) corresponded in writing with the financial
 22 organization concerning the funds or deposit; or

23 (c) otherwise indicated an interest in the funds or
 24 deposit as evidenced by a memorandum on file with the
 25 financial organization;



1 (3) any sum payable on checks certified in this state
 2 or on written instruments issued in this state on which a
 3 banking or financial organization or business association is
 4 directly liable, including, by way of illustration but not
 5 of limitation, certificates of deposit, drafts, money
 6 orders, and travelers' checks that, with the exception of
 7 travelers' checks, has been outstanding for more than 7 5
 8 years from the date it was payable or from the date of its
 9 issuance if payable on demand or, in the case of travelers'
 10 checks, that has been outstanding for more than 15 years
 11 from the date of its issuance unless the owner has within 7
 12 5 years or within 15 years in the case of travelers' checks
 13 corresponded in writing with the banking or financial
 14 organization or business association concerning it or
 15 otherwise indicated an interest as evidenced by a memorandum
 16 on file with the banking or financial organization or
 17 business association;

18 (4) any funds or other personal property, tangible or
 19 intangible, removed from a safe deposit box or any other
 20 safekeeping repository or agency or collateral deposit box
 21 in this state on which the lease or rental period has
 22 expired due to nonpayment of rental charges or other reason
 23 or any surplus amounts arising from the sale thereof
 24 pursuant to law that have been unclaimed by the owner for
 25 more than 7 5 years from the date on which the lease or

1 rental period expired."

2 Section 3. Section 70-9-202, MCA, is amended to read:

3 "70-9-202. Unclaimed funds held by life insurance
 4 corporation. (1) Unclaimed funds, as defined in this
 5 section, held and owing by a life insurance corporation
 6 shall be presumed abandoned if the last known address,
 7 according to the records of the corporation, of the person
 8 entitled to the funds is within this state. If a person
 9 other than the insured or annuitant is entitled to the funds
 10 and no address of such person is known to the corporation or
 11 if it is not definite and certain from the records of the
 12 corporation what person is entitled to the funds, it is
 13 presumed that the last known address of the person entitled
 14 to the funds is the same as the last known address of the
 15 insured or annuitant according to the records of the
 16 corporation.

17 (2) "Unclaimed funds", as used in this section, means
 18 all moneys held and owing by any life insurance corporation
 19 unclaimed and unpaid for more than 7 5 years after the
 20 moneys became due and payable as established from the
 21 records of the corporation under any life or endowment
 22 insurance policy or annuity contract which has matured or
 23 terminated. A life insurance policy not matured by actual
 24 proof of the death of the insured is deemed to be matured
 25 and the proceeds thereof are deemed to be due and payable if

1 such policy was in force when the insured attained the
 2 limiting age under the mortality table on which the reserve
 3 is based unless the person appearing entitled thereto has
 4 within the preceding 7 5 years assigned, readjusted, or paid
 5 premiums on the policy or subjected the policy to loan or
 6 corresponded in writing with the life insurance corporation
 7 concerning the policy. Moneys otherwise payable according to
 8 the records of the corporation are deemed due and payable
 9 although the policy or contract has not been surrendered as
 10 required."

11 Section 4. Section 70-9-203, MCA, is amended to read:
 12 "70-9-203. Deposits and refunds held by utility. The
 13 following funds held or owing by any utility are presumed
 14 abandoned:

15 (1) any deposit made by a subscriber with a utility to
 16 secure payment for or any sum paid in advance for utility
 17 services to be furnished in this state, less any lawful
 18 deductions, that has remained unclaimed by the person
 19 appearing on the records of the utility entitled thereto for
 20 more than 7 5 years after the termination of the services
 21 for which the deposit or advance payment was made;

22 (2) any sum which a utility has been ordered to refund
 23 and which was received for utility services rendered in this
 24 state, together with any interest thereon, less any lawful
 25 deductions, that has remained unclaimed by the person

1 appearing on the records of the utility entitled thereto for
 2 more than 7 5 years after the date it became payable in
 3 accordance with the final determination or order providing
 4 for the refund."

5 Section 5. Section 70-9-204, MCA, is amended to read:
 6 "70-9-204. Stock, dividends, and distributions of
 7 business association. (1) Any stock or other certificate of
 8 ownership or any dividend, profit, distribution, interest,
 9 payment on principal, or other sum held or owing by a
 10 business association for or to a shareholder, certificate
 11 holder, member, bondholder, or other security holder or a
 12 participating patron of a cooperative, who has not claimed
 13 it or corresponded in writing with the business association
 14 concerning it within 7 5 years after the date prescribed for
 15 payment or delivery is presumed abandoned if it is held or
 16 owing by a business association:

17 (a) organized under the laws of or created in this
 18 state; or

19 (b) doing business in this state but not organized
 20 under the laws of or created in this state and the records
 21 of the business association indicate that the last-known
 22 address of the person entitled thereto is in this state.

23 (2) Any intangible interest in a business association
 24 as evidenced by the stock or membership records of the
 25 association is presumed abandoned and the association deemed

1 the holder thereof when:

2 (a) the interest in the association is owned by a
3 person who for more than 7 5 years has not claimed a
4 dividend or other sum referred to in subsection (1);

5 (b) the records of the association indicate that the
6 last-known address of the person entitled to the dividend is
7 in this state; and

8 (c) the association is:

9 (i) organized under the laws of or created in this
10 state; or

11 (ii) doing business in this state but not organized
12 under the laws of or created in this state.

13 (3) Any dividends or other distributions held for or
14 owing to a person at the time an intangible interest in a
15 business association is presumed abandoned pursuant to
16 subsection (2) are presumed abandoned."

17 Section 6. Section 70-9-206, MCA, is amended to read:

18 "70-9-206. Property held by fiduciary. All intangible
19 personal property and any income or increment thereon held
20 in a fiduciary capacity for the benefit of another person is
21 presumed abandoned unless the owner has, within 7 5 years
22 after it becomes payable or distributable, increased or
23 decreased the principal, accepted payment of principal or
24 income, corresponded in writing concerning the property, or
25 otherwise indicated an interest as evidenced by a memorandum

1 on file with the fiduciary:

2 (1) if the property is held by a business association,
3 banking organization, or financial organization organized
4 under the laws of or created in this state;

5 (2) if it is held by a business association, banking
6 organization, or financial organization doing business in
7 this state but not organized under the laws of or created in
8 this state and the records of the business association,
9 banking organization, or financial organization indicate
10 that the last known address of the person entitled thereto
11 is in this state; or

12 (3) if it is held in this state by another person."

13 Section 7. Section 70-9-207, MCA, is amended to read:

14 "70-9-207. Property held by court or public officer or
15 agency. (1) All intangible personal property held for the
16 owner by any court, public corporation, public authority, or
17 public officer of this state or a political subdivision
18 thereof that has remained unclaimed by the owner for more
19 than 7 5 years is presumed abandoned.

20 (2) All intangible personal property held for the
21 owner by any court, department, agency, or officer of the
22 United States, that has remained unclaimed by the owner for
23 more than 7 5 years is presumed abandoned when the records
24 of the holder indicate that the last-known address of the
25 owner is in this state."

1 Section 8. Section 70-9-208, MCA, is amended to read:

2 "70-9-208. Miscellaneous property held for another
3 person. All intangible personal property not otherwise
4 covered by parts 1 through 3, including any income or
5 increment thereon and deducting any lawful charges, that is
6 held or owing in this state in the ordinary course of the
7 holder's business and has remained unclaimed by the owner
8 for more than 7 5 years after it became payable or
9 distributable is presumed abandoned."

10 Section 9. Section 70-9-209, MCA, is amended to read:

11 "70-9-209. Gift certificates and credit memos. (1) A
12 gift certificate or a credit memo issued in the ordinary
13 course of an issuer's business which remains unclaimed by
14 the owner for more than 7 5 years after becoming payable or
15 distributable is presumed abandoned.

16 (2) In the case of a gift certificate, the amount
17 presumed abandoned is the price paid by the purchaser for
18 the gift certificate. In the case of a credit memo, the
19 amount presumed abandoned is the amount credited to the
20 recipient of the memo."

21 Section 10. Section 70-9-301, MCA, is amended to read:

22 "70-9-301. Report of abandoned property -- duty to
23 prevent abandonment prior to filing. (1) Every person
24 holding moneys or other property, tangible or intangible,
25 presumed abandoned under parts 1 through 3 shall report the

1 property to the department as hereinafter provided.

2 (2) The report shall be verified and shall include:

3 (a) except with respect to travelers' checks and money
4 orders, the name, if known, and last-known address, if any,
5 of each person appearing from the records of the holder to
6 be the owner of any property of value of \$10 or more
7 presumed abandoned under parts 1 through 3;

8 (b) in case of unclaimed moneys of life insurance
9 corporations, the full name of the insured or annuitant and
10 his last-known address according to the life insurance
11 corporation's records;

12 (c) the nature and identifying number, if any, or
13 description of the property and the amount appearing from
14 the records to be due. Items of value under \$10 each may be
15 reported in aggregate.

16 (d) the date when the property became payable,
17 demandable, or returnable and the date of the last
18 transaction with the owner with respect to the property; and

19 (e) other information which the department prescribes
20 by rule as necessary for the administration of parts 1
21 through 3.

22 (3) If the person holding property presumed abandoned
23 is a successor to other persons who previously held the
24 property for the owner or if the holder has changed his name
25 while holding the property, he shall file with his report

1 all prior known names and addresses of each holder of the
2 property.

3 (4) The report shall be filed before November 1 every
4 ~~3-years~~ year as of June 30 next preceding, but the reports
5 of life insurance corporations, banking and financial
6 organizations, and cooperatives shall be filed before May 1
7 of each year as of December 31 next preceding. ~~The~~
8 ~~department may request that any other reports be filed each~~
9 ~~year.~~ The department may postpone the reporting date upon
10 written request by any person required to file a report. The
11 department shall furnish forms for this report.

12 (5) Not more than 120 days before filing the report
13 required by this section, the holder in possession of
14 property presumed abandoned and subject to custody as
15 unclaimed property under parts 1 through 3 shall send
16 written notice to the apparent owner at his last-known
17 address informing him that the holder is in possession of
18 property subject to this chapter if:

19 (a) the holder has in his records an address for the
20 apparent owner which the holder's records do not disclose to
21 be inaccurate;

22 (b) the claim of the apparent owner is not barred by
23 the statute of limitations; and

24 (c) the property has a value of \$100 or more.

25 (6) Verification if made by a partnership shall be

1 executed by a partner; if made by an unincorporated
2 association or private corporation, by an officer; and if
3 made by a public corporation, by its chief fiscal officer."

4 NEW SECTION. Section 11. Extension of authority. Any
5 existing authority of the department of revenue to make
6 rules on the subject of the provisions of this act is
7 extended to the provisions of this act.

-End-

APPROVED BY COMMITTEE
ON TAXATION

1 HOUSE BILL NO. 48
2 INTRODUCED BY HARRINGTON
3 BY REQUEST OF THE DEPARTMENT OF REVENUE

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT TO REDUCE THE HOLDING
6 PERIOD OF UNCLAIMED PROPERTY FROM 7 YEARS TO 5 YEARS; TO
7 REQUIRE A REPORT OF ABANDONED PROPERTY EACH YEAR; AND
8 AMENDING SECTIONS 70-9-106, 70-9-201 THROUGH 70-9-204,
9 70-9-206 THROUGH 70-9-209, AND 70-9-301, MCA."

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13 "70-9-106. Uniform Unclaimed Property Act superseded.
14 The provisions of Title 22, chapter 3, part 5, supersede the
15 provisions of parts 1 through 3 of this chapter, except that
16 at its option a museum, as defined in 22-3-503, may report
17 property, as defined in 22-3-503, that has been on loan, as
18 defined in 22-3-503, unclaimed by its owner for more than 7
19 5 years to the department of revenue for disposition as
20 provided in part 3 of this chapter."

21 Section 2. Section 70-9-201, MCA, is amended to read:

22 "70-9-201. Property held by banking or financial
23 organization or business association. The following property
24 held or owing by a banking or financial organization or by a
25 business association is presumed abandoned:

1 (1) any demand, savings, or matured time deposit made
2 in this state with a banking organization, together with any
3 interest or dividend thereon, excluding any charges that may
4 lawfully be withheld, unless the owner has within 7 5 years:

5 (a) increased or decreased the amount of the deposit
6 or presented the passbook or other similar evidence of the
7 deposit for the crediting of interest;

8 (b) corresponded in writing with the banking
9 organization concerning the deposit; or

10 (c) otherwise indicated an interest in the deposit as
11 evidenced by a memorandum on file with the banking
12 organization;

13 (2) any funds paid in this state toward the purchase
14 of shares or other interest in a financial organization or
15 any deposit made therewith in this state and any interest or
16 dividends thereon, excluding any charges that may lawfully
17 be withheld, unless the owner has within 7 5 years:

18 (a) increased or decreased the amount of the funds or
19 deposit or presented an appropriate record for the crediting
20 of interest or dividends;

21 (b) corresponded in writing with the financial
22 organization concerning the funds or deposit; or

23 (c) otherwise indicated an interest in the funds or
24 deposit as evidenced by a memorandum on file with the
25 financial organization;

1 (3) any sum payable on checks certified in this state
 2 or on written instruments issued in this state on which a
 3 banking or financial organization or business association is
 4 directly liable, including, by way of illustration but not
 5 of limitation, certificates of deposit, drafts, money
 6 orders, and travelers' checks that, with the exception of
 7 travelers' checks, has been outstanding for more than 7 5
 8 years from the date it was payable or from the date of its
 9 issuance if payable on demand or, in the case of travelers'
 10 checks, that has been outstanding for more than 15 years
 11 from the date of its issuance unless the owner has within 7
 12 5 years or within 15 years in the case of travelers' checks
 13 corresponded in writing with the banking or financial
 14 organization or business association concerning it or
 15 otherwise indicated an interest as evidenced by a memorandum
 16 on file with the banking or financial organization or
 17 business association;

18 (4) any funds or other personal property, tangible or
 19 intangible, removed from a safe deposit box or any other
 20 safekeeping repository or agency or collateral deposit box
 21 in this state on which the lease or rental period has
 22 expired due to nonpayment of rental charges or other reason
 23 or any surplus amounts arising from the sale thereof
 24 pursuant to law that have been unclaimed by the owner for
 25 more than 7 5 years from the date on which the lease or

1 rental period expired."

2 Section 3. Section 70-9-202, MCA, is amended to read:
 3 "70-9-202. Unclaimed funds held by life insurance
 4 corporation. (1) Unclaimed funds, as defined in this
 5 section, held and owing by a life insurance corporation
 6 shall be presumed abandoned if the last known address,
 7 according to the records of the corporation, of the person
 8 entitled to the funds is within this state. If a person
 9 other than the insured or annuitant is entitled to the funds
 10 and no address of such person is known to the corporation or
 11 if it is not definite and certain from the records of the
 12 corporation what person is entitled to the funds, it is
 13 presumed that the last known address of the person entitled
 14 to the funds is the same as the last known address of the
 15 insured or annuitant according to the records of the
 16 corporation.

17 (2) "Unclaimed funds", as used in this section, means
 18 all moneys held and owing by any life insurance corporation
 19 unclaimed and unpaid for more than 7 5 years after the
 20 moneys became due and payable as established from the
 21 records of the corporation under any life or endowment
 22 insurance policy or annuity contract which has matured or
 23 terminated. A life insurance policy not matured by actual
 24 proof of the death of the insured is deemed to be matured
 25 and the proceeds thereof are deemed to be due and payable if

1 such policy was in force when the insured attained the
 2 limiting age under the mortality table on which the reserve
 3 is based unless the person appearing entitled thereto has
 4 within the preceding 7 5 years assigned, readjusted, or paid
 5 premiums on the policy or subjected the policy to loan or
 6 corresponded in writing with the life insurance corporation
 7 concerning the policy. Moneys otherwise payable according to
 8 the records of the corporation are deemed due and payable
 9 although the policy or contract has not been surrendered as
 10 required."

11 Section 4. Section 70-9-203, MCA, is amended to read:

12 "70-9-203. Deposits and refunds held by utility. The
 13 following funds held or owing by any utility are presumed
 14 abandoned:

15 (1) any deposit made by a subscriber with a utility to
 16 secure payment for or any sum paid in advance for utility
 17 services to be furnished in this state, less any lawful
 18 deductions, that has remained unclaimed by the person
 19 appearing on the records of the utility entitled thereto for
 20 more than 7 5 years after the termination of the services
 21 for which the deposit or advance payment was made;

22 (2) any sum which a utility has been ordered to refund
 23 and which was received for utility services rendered in this
 24 state, together with any interest thereon, less any lawful
 25 deductions, that has remained unclaimed by the person

1 appearing on the records of the utility entitled thereto for
 2 more than 7 5 years after the date it became payable in
 3 accordance with the final determination or order providing
 4 for the refund."

5 Section 5. Section 70-9-204, MCA, is amended to read:

6 "70-9-204. Stock, dividends, and distributions of
 7 business association. (1) Any stock or other certificate of
 8 ownership or any dividend, profit, distribution, interest,
 9 payment on principal, or other sum held or owing by a
 10 business association for or to a shareholder, certificate
 11 holder, member, bondholder, or other security holder or a
 12 participating patron of a cooperative, who has not claimed
 13 it or corresponded in writing with the business association
 14 concerning it within 7 5 years after the date prescribed for
 15 payment or delivery is presumed abandoned if it is held or
 16 owing by a business association:

17 (a) organized under the laws of or created in this
 18 state; or

19 (b) doing business in this state but not organized
 20 under the laws of or created in this state and the records
 21 of the business association indicate that the last-known
 22 address of the person entitled thereto is in this state.

23 (2) Any intangible interest in a business association
 24 as evidenced by the stock or membership records of the
 25 association is presumed abandoned and the association deemed

1 the holder thereof when:

2 (a) the interest in the association is owned by a
3 person who for more than 7 5 years has not claimed a
4 dividend or other sum referred to in subsection (1);

5 (b) the records of the association indicate that the
6 last-known address of the person entitled to the dividend is
7 in this state; and

8 (c) the association is:

9 (i) organized under the laws of or created in this
10 state; or

11 (ii) doing business in this state but not organized
12 under the laws of or created in this state.

13 (3) Any dividends or other distributions held for or
14 owing to a person at the time an intangible interest in a
15 business association is presumed abandoned pursuant to
16 subsection (2) are presumed abandoned."

17 Section 6. Section 70-9-206, MCA, is amended to read:

18 "70-9-206. Property held by fiduciary. All intangible
19 personal property and any income or increment thereon held
20 in a fiduciary capacity for the benefit of another person is
21 presumed abandoned unless the owner has, within 7 5 years
22 after it becomes payable or distributable, increased or
23 decreased the principal, accepted payment of principal or
24 income, corresponded in writing concerning the property, or
25 otherwise indicated an interest as evidenced by a memorandum

1 on file with the fiduciary:

2 (1) if the property is held by a business association,
3 banking organization, or financial organization organized
4 under the laws of or created in this state;

5 (2) if it is held by a business association, banking
6 organization, or financial organization doing business in
7 this state but not organized under the laws of or created in
8 this state and the records of the business association,
9 banking organization, or financial organization indicate
10 that the last known address of the person entitled thereto
11 is in this state; or

12 (3) if it is held in this state by another person."

13 Section 7. Section 70-9-207, MCA, is amended to read:

14 "70-9-207. Property held by court or public officer or
15 agency. (1) All intangible personal property held for the
16 owner by any court, public corporation, public authority, or
17 public officer of this state or a political subdivision
18 thereof that has remained unclaimed by the owner for more
19 than 7 5 years is presumed abandoned.

20 (2) All intangible personal property held for the
21 owner by any court, department, agency, or officer of the
22 United States, that has remained unclaimed by the owner for
23 more than 7 5 years is presumed abandoned when the records
24 of the holder indicate that the last-known address of the
25 owner is in this state."

1 Section 8. Section 70-9-208, MCA, is amended to read:

2 "70-9-208. Miscellaneous property held for another
3 person. All intangible personal property not otherwise
4 covered by parts 1 through 3, including any income or
5 increment thereon and deducting any lawful charges, that is
6 held or owing in this state in the ordinary course of the
7 holder's business and has remained unclaimed by the owner
8 for more than 7 5 years after it became payable or
9 distributable is presumed abandoned."

10 Section 9. Section 70-9-209, MCA, is amended to read:

11 "70-9-209. Gift certificates and credit memos. (1) A
12 gift certificate or a credit memo issued in the ordinary
13 course of an issuer's business which remains unclaimed by
14 the owner for more than 7 5 years after becoming payable or
15 distributable is presumed abandoned.

16 (2) In the case of a gift certificate, the amount
17 presumed abandoned is the price paid by the purchaser for
18 the gift certificate. In the case of a credit memo, the
19 amount presumed abandoned is the amount credited to the
20 recipient of the memo."

21 Section 10. Section 70-9-301, MCA, is amended to read:

22 "70-9-301. Report of abandoned property -- duty to
23 prevent abandonment prior to filing. (1) Every person
24 holding moneys or other property, tangible or intangible,
25 presumed abandoned under parts 1 through 3 shall report the

1 property to the department as hereinafter provided.

2 (2) The report shall be verified and shall include:

3 (a) except with respect to travelers' checks and money
4 orders, the name, if known, and last-known address, if any,
5 of each person appearing from the records of the holder to
6 be the owner of any property of value of \$10 or more
7 presumed abandoned under parts 1 through 3;

8 (b) in case of unclaimed moneys of life insurance
9 corporations, the full name of the insured or annuitant and
10 his last-known address according to the life insurance
11 corporation's records;

12 (c) the nature and identifying number, if any, or
13 description of the property and the amount appearing from
14 the records to be due. Items of value under \$10 each may be
15 reported in aggregate.

16 (d) the date when the property became payable,
17 demandable, or returnable and the date of the last
18 transaction with the owner with respect to the property; and

19 (e) other information which the department prescribes
20 by rule as necessary for the administration of parts 1
21 through 3.

22 (3) If the person holding property presumed abandoned
23 is a successor to other persons who previously held the
24 property for the owner or if the holder has changed his name
25 while holding the property, he shall file with his report

1 all prior known names and addresses of each holder of the
2 property.

3 (4) The report shall be filed before November 1 every
4 ~~3-years~~ year as of June 30 next preceding, but the reports
5 of life insurance corporations, banking and financial
6 organizations, and cooperatives shall be filed before May 1
7 of each year as of December 31 next preceding. ~~The~~
8 ~~department-may-request-that-any-other-reports-be-filed--each~~
9 ~~year-~~ The department may postpone the reporting date upon
10 written request by any person required to file a report. The
11 department shall furnish forms for this report.

12 (5) Not more than 120 days before filing the report
13 required by this section, the holder in possession of
14 property presumed abandoned and subject to custody as
15 unclaimed property under parts 1 through 3 shall send
16 written notice to the apparent owner at his last-known
17 address informing him that the holder is in possession of
18 property subject to this chapter if:

19 (a) the holder has in his records an address for the
20 apparent owner which the holder's records do not disclose to
21 be inaccurate;

22 (b) the claim of the apparent owner is not barred by
23 the statute of limitations; and

24 (c) the property has a value of \$100 or more.

25 (6) Verification if made by a partnership shall be

1 executed by a partner; if made by an unincorporated
2 association or private corporation, by an officer; and if
3 made by a public corporation, by its chief fiscal officer."

4 NEW SECTION. Section 11. Extension of authority. Any
5 existing authority of the department of revenue to make
6 rules on the subject of the provisions of this act is
7 extended to the provisions of this act.

-End-

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2 INTRODUCED BY HARRINGTON

3 BY REQUEST OF THE DEPARTMENT OF REVENUE

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5 A BILL FOR AN ACT ENTITLED: "AN ACT TO REDUCE THE HOLDING
6 PERIOD OF UNCLAIMED PROPERTY FROM 7 YEARS TO 5 YEARS; TO
7 REQUIRE A REPORT OF ABANDONED PROPERTY EACH YEAR; AND
8 AMENDING SECTIONS 70-9-106, 70-9-201 THROUGH 70-9-204,
9 70-9-206 THROUGH 70-9-209, AND 70-9-301, MCA."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Section 70-9-106, MCA, is amended to read:
13 "70-9-106. Uniform Unclaimed Property Act superseded.
14 The provisions of Title 22, chapter 3, part 5, supersede the
15 provisions of parts 1 through 3 of this chapter, except that
16 at its option a museum, as defined in 22-3-503, may report
17 property, as defined in 22-3-503, that has been on loan, as
18 defined in 22-3-503, unclaimed by its owner for more than 7
19 5 years to the department of revenue for disposition as
20 provided in part 3 of this chapter."

21 Section 2. Section 70-9-201, MCA, is amended to read:
22 "70-9-201. Property held by banking or financial
23 organization or business association. The following property
24 held or owing by a banking or financial organization or by a
25 business association is presumed abandoned:

1 (1) any demand, savings, or matured time deposit made
2 in this state with a banking organization, together with any
3 interest or dividend thereon, excluding any charges that may
4 lawfully be withheld, unless the owner has within 7 5 years:

5 (a) increased or decreased the amount of the deposit
6 or presented the passbook or other similar evidence of the
7 deposit for the crediting of interest;

8 (b) corresponded in writing with the banking
9 organization concerning the deposit; or

10 (c) otherwise indicated an interest in the deposit as
11 evidenced by a memorandum on file with the banking
12 organization;

13 (2) any funds paid in this state toward the purchase
14 of shares or other interest in a financial organization or
15 any deposit made therewith in this state and any interest or
16 dividends thereon, excluding any charges that may lawfully
17 be withheld, unless the owner has within 7 5 years:

18 (a) increased or decreased the amount of the funds or
19 deposit or presented an appropriate record for the crediting
20 of interest or dividends;

21 (b) corresponded in writing with the financial
22 organization concerning the funds or deposit; or

23 (c) otherwise indicated an interest in the funds or
24 deposit as evidenced by a memorandum on file with the
25 financial organization;

1 (3) any sum payable on checks certified in this state
 2 or on written instruments issued in this state on which a
 3 banking or financial organization or business association is
 4 directly liable, including, by way of illustration but not
 5 of limitation, certificates of deposit, drafts, money
 6 orders, and travelers' checks that, with the exception of
 7 travelers' checks, has been outstanding for more than 7 5
 8 years from the date it was payable or from the date of its
 9 issuance if payable on demand or, in the case of travelers'
 10 checks, that has been outstanding for more than 15 years
 11 from the date of its issuance unless the owner has within 7
 12 5 years or within 15 years in the case of travelers' checks
 13 corresponded in writing with the banking or financial
 14 organization or business association concerning it or
 15 otherwise indicated an interest as evidenced by a memorandum
 16 on file with the banking or financial organization or
 17 business association;

18 (4) any funds or other personal property, tangible or
 19 intangible, removed from a safe deposit box or any other
 20 safekeeping repository or agency or collateral deposit box
 21 in this state on which the lease or rental period has
 22 expired due to nonpayment of rental charges or other reason
 23 or any surplus amounts arising from the sale thereof
 24 pursuant to law that have been unclaimed by the owner for
 25 more than 7 5 years from the date on which the lease or

1 rental period expired."

2 Section 3. Section 70-9-202, MCA, is amended to read:
 3 "70-9-202. Unclaimed funds held by life insurance
 4 corporation. (1) Unclaimed funds, as defined in this
 5 section, held and owing by a life insurance corporation
 6 shall be presumed abandoned if the last known address,
 7 according to the records of the corporation, of the person
 8 entitled to the funds is within this state. If a person
 9 other than the insured or annuitant is entitled to the funds
 10 and no address of such person is known to the corporation or
 11 if it is not definite and certain from the records of the
 12 corporation what person is entitled to the funds, it is
 13 presumed that the last known address of the person entitled
 14 to the funds is the same as the last known address of the
 15 insured or annuitant according to the records of the
 16 corporation.

17 (2) "Unclaimed funds", as used in this section, means
 18 all moneys held and owing by any life insurance corporation
 19 unclaimed and unpaid for more than 7 5 years after the
 20 moneys became due and payable as established from the
 21 records of the corporation under any life or endowment
 22 insurance policy or annuity contract which has matured or
 23 terminated. A life insurance policy not matured by actual
 24 proof of the death of the insured is deemed to be matured
 25 and the proceeds thereof are deemed to be due and payable if

1 such policy was in force when the insured attained the
 2 limiting age under the mortality table on which the reserve
 3 is based unless the person appearing entitled thereto has
 4 within the preceding 7 5 years assigned, readjusted, or paid
 5 premiums on the policy or subjected the policy to loan or
 6 corresponded in writing with the life insurance corporation
 7 concerning the policy. Moneys otherwise payable according to
 8 the records of the corporation are deemed due and payable
 9 although the policy or contract has not been surrendered as
 10 required."

11 Section 4. Section 70-9-203, MCA, is amended to read:

12 "70-9-203. Deposits and refunds held by utility. The
 13 following funds held or owing by any utility are presumed
 14 abandoned:

15 (1) any deposit made by a subscriber with a utility to
 16 secure payment for or any sum paid in advance for utility
 17 services to be furnished in this state, less any lawful
 18 deductions, that has remained unclaimed by the person
 19 appearing on the records of the utility entitled thereto for
 20 more than 7 5 years after the termination of the services
 21 for which the deposit or advance payment was made;

22 (2) any sum which a utility has been ordered to refund
 23 and which was received for utility services rendered in this
 24 state, together with any interest thereon, less any lawful
 25 deductions, that has remained unclaimed by the person

1 appearing on the records of the utility entitled thereto for
 2 more than 7 5 years after the date it became payable in
 3 accordance with the final determination or order providing
 4 for the refund."

5 Section 5. Section 70-9-204, MCA, is amended to read:

6 "70-9-204. Stock, dividends, and distributions of
 7 business association. (1) Any stock or other certificate of
 8 ownership or any dividend, profit, distribution, interest,
 9 payment on principal, or other sum held or owing by a
 10 business association for or to a shareholder, certificate
 11 holder, member, bondholder, or other security holder or a
 12 participating patron of a cooperative, who has not claimed
 13 it or corresponded in writing with the business association
 14 concerning it within 7 5 years after the date prescribed for
 15 payment or delivery is presumed abandoned if it is held or
 16 owing by a business association:

17 (a) organized under the laws of or created in this
 18 state; or

19 (b) doing business in this state but not organized
 20 under the laws of or created in this state and the records
 21 of the business association indicate that the last-known
 22 address of the person entitled thereto is in this state.

23 (2) Any intangible interest in a business association
 24 as evidenced by the stock or membership records of the
 25 association is presumed abandoned and the association deemed

1 the holder thereof when:

2 (a) the interest in the association is owned by a
3 person who for more than 7 5 years has not claimed a
4 dividend or other sum referred to in subsection (1);

5 (b) the records of the association indicate that the
6 last-known address of the person entitled to the dividend is
7 in this state; and

8 (c) the association is:

9 (i) organized under the laws of or created in this
10 state; or

11 (ii) doing business in this state but not organized
12 under the laws of or created in this state.

13 (3) Any dividends or other distributions held for or
14 owing to a person at the time an intangible interest in a
15 business association is presumed abandoned pursuant to
16 subsection (2) are presumed abandoned."

17 Section 6. Section 70-9-206, MCA, is amended to read:

18 "70-9-206. Property held by fiduciary. All intangible
19 personal property and any income or increment thereon held
20 in a fiduciary capacity for the benefit of another person is
21 presumed abandoned unless the owner has, within 7 5 years
22 after it becomes payable or distributable, increased or
23 decreased the principal, accepted payment of principal or
24 income, corresponded in writing concerning the property, or
25 otherwise indicated an interest as evidenced by a memorandum

1 on file with the fiduciary:

2 (1) if the property is held by a business association,
3 banking organization, or financial organization organized
4 under the laws of or created in this state;

5 (2) if it is held by a business association, banking
6 organization, or financial organization doing business in
7 this state but not organized under the laws of or created in
8 this state and the records of the business association,
9 banking organization, or financial organization indicate
10 that the last known address of the person entitled thereto
11 is in this state; or

12 (3) if it is held in this state by another person."

13 Section 7. Section 70-9-207, MCA, is amended to read:

14 "70-9-207. Property held by court or public officer or
15 agency. (1) All intangible personal property held for the
16 owner by any court, public corporation, public authority, or
17 public officer of this state or a political subdivision
18 thereof that has remained unclaimed by the owner for more
19 than 7 5 years is presumed abandoned.

20 (2) All intangible personal property held for the
21 owner by any court, department, agency, or officer of the
22 United States, that has remained unclaimed by the owner for
23 more than 7 5 years is presumed abandoned when the records
24 of the holder indicate that the last-known address of the
25 owner is in this state."

1 Section 8. Section 70-9-208, MCA, is amended to read:

2 "70-9-208. Miscellaneous property held for another
3 person. All intangible personal property not otherwise
4 covered by parts 1 through 3, including any income or
5 increment thereon and deducting any lawful charges, that is
6 held or owing in this state in the ordinary course of the
7 holder's business and has remained unclaimed by the owner
8 for more than 7 5 years after it became payable or
9 distributable is presumed abandoned."

10 Section 9. Section 70-9-209, MCA, is amended to read:

11 "70-9-209. Gift certificates and credit memos. (1) A
12 gift certificate or a credit memo issued in the ordinary
13 course of an issuer's business which remains unclaimed by
14 the owner for more than 7 5 years after becoming payable or
15 distributable is presumed abandoned.

16 (2) In the case of a gift certificate, the amount
17 presumed abandoned is the price paid by the purchaser for
18 the gift certificate. In the case of a credit memo, the
19 amount presumed abandoned is the amount credited to the
20 recipient of the memo."

21 Section 10. Section 70-9-301, MCA, is amended to read:

22 "70-9-301. Report of abandoned property -- duty to
23 prevent abandonment prior to filing. (1) Every person
24 holding moneys or other property, tangible or intangible,
25 presumed abandoned under parts 1 through 3 shall report the

1 property to the department as hereinafter provided.

2 (2) The report shall be verified and shall include:

3 (a) except with respect to travelers' checks and money
4 orders, the name, if known, and last-known address, if any,
5 of each person appearing from the records of the holder to
6 be the owner of any property of value of \$10 or more
7 presumed abandoned under parts 1 through 3;

8 (b) in case of unclaimed moneys of life insurance
9 corporations, the full name of the insured or annuitant and
10 his last-known address according to the life insurance
11 corporation's records;

12 (c) the nature and identifying number, if any, or
13 description of the property and the amount appearing from
14 the records to be due. Items of value under \$10 each may be
15 reported in aggregate.

16 (d) the date when the property became payable,
17 demandable, or returnable and the date of the last
18 transaction with the owner with respect to the property; and

19 (e) other information which the department prescribes
20 by rule as necessary for the administration of parts 1
21 through 3.

22 (3) If the person holding property presumed abandoned
23 is a successor to other persons who previously held the
24 property for the owner or if the holder has changed his name
25 while holding the property, he shall file with his report

1 all prior known names and addresses of each holder of the
2 property.

3 (4) The report shall be filed before November 1 every
4 3-years year as of June 30 next preceding, but the reports
5 of life insurance corporations, banking and financial
6 organizations, and cooperatives shall be filed before May 1
7 of each year as of December 31 next preceding. ~~The~~
8 ~~department-may-request-that-any-other-reports-be-filed--each~~
9 ~~year.~~ The department may postpone the reporting date upon
10 written request by any person required to file a report. The
11 department shall furnish forms for this report.

12 (5) Not more than 120 days before filing the report
13 required by this section, the holder in possession of
14 property presumed abandoned and subject to custody as
15 unclaimed property under parts 1 through 3 shall send
16 written notice to the apparent owner at his last-known
17 address informing him that the holder is in possession of
18 property subject to this chapter if:

19 (a) the holder has in his records an address for the
20 apparent owner which the holder's records do not disclose to
21 be inaccurate;

22 (b) the claim of the apparent owner is not barred by
23 the statute of limitations; and

24 (c) the property has a value of \$100 or more.

25 (6) Verification if made by a partnership shall be

1 executed by a partner; if made by an unincorporated
2 association or private corporation, by an officer; and if
3 made by a public corporation, by its chief fiscal officer."
4 NEW SECTION. Section 11. Extension of authority. Any
5 existing authority of the department of revenue to make
6 rules on the subject of the provisions of this act is
7 extended to the provisions of this act.

-End-

1 HOUSE BILL NO. 48

2 INTRODUCED BY HARRINGTON

3 BY REQUEST OF THE DEPARTMENT OF REVENUE

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT TO REDUCE THE HOLDING
6 PERIOD OF UNCLAIMED PROPERTY FROM 7 YEARS TO 5 YEARS; TO
7 REQUIRE A REPORT OF ABANDONED PROPERTY EACH YEAR; AND
8 AMENDING SECTIONS 70-9-106, 70-9-201 THROUGH 70-9-204,
9 70-9-206 THROUGH 70-9-209, AND 70-9-301, MCA."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Section 70-9-106, MCA, is amended to read:

13 "70-9-106. Uniform Unclaimed Property Act superseded.
14 The provisions of Title 22, chapter 3, part 5, supersede the
15 provisions of parts 1 through 3 of this chapter, except that
16 at its option a museum, as defined in 22-3-503, may report
17 property, as defined in 22-3-503, that has been on loan, as
18 defined in 22-3-503, unclaimed by its owner for more than 7
19 5 years to the department of revenue for disposition as
20 provided in part 3 of this chapter."

21 Section 2. Section 70-9-201, MCA, is amended to read:

22 "70-9-201. Property held by banking or financial
23 organization or business association. The following property
24 held or owing by a banking or financial organization or by a
25 business association is presumed abandoned:

1 (1) any demand, savings, or matured time deposit made
2 in this state with a banking organization, together with any
3 interest or dividend thereon, excluding any charges that may
4 lawfully be withheld, unless the owner has within 7 5 years:

5 (a) increased or decreased the amount of the deposit
6 or presented the passbook or other similar evidence of the
7 deposit for the crediting of interest;

8 (b) corresponded in writing with the banking
9 organization concerning the deposit; or

10 (c) otherwise indicated an interest in the deposit as
11 evidenced by a memorandum on file with the banking
12 organization;

13 (2) any funds paid in this state toward the purchase
14 of shares or other interest in a financial organization or
15 any deposit made therewith in this state and any interest or
16 dividends thereon, excluding any charges that may lawfully
17 be withheld, unless the owner has within 7 5 years:

18 (a) increased or decreased the amount of the funds or
19 deposit or presented an appropriate record for the crediting
20 of interest or dividends;

21 (b) corresponded in writing with the financial
22 organization concerning the funds or deposit; or

23 (c) otherwise indicated an interest in the funds or
24 deposit as evidenced by a memorandum on file with the
25 financial organization;

1 (3) any sum payable on checks certified in this state
2 or on written instruments issued in this state on which a
3 banking or financial organization or business association is
4 directly liable, including, by way of illustration but not
5 of limitation, certificates of deposit, drafts, money
6 orders, and travelers' checks that, with the exception of
7 travelers' checks, has been outstanding for more than 7 5
8 years from the date it was payable or from the date of its
9 issuance if payable on demand or, in the case of travelers'
10 checks, that has been outstanding for more than 15 years
11 from the date of its issuance unless the owner has within 7
12 5 years or within 15 years in the case of travelers' checks
13 corresponded in writing with the banking or financial
14 organization or business association concerning it or
15 otherwise indicated an interest as evidenced by a memorandum
16 on file with the banking or financial organization or
17 business association;

18 (4) any funds or other personal property, tangible or
19 intangible, removed from a safe deposit box or any other
20 safekeeping repository or agency or collateral deposit box
21 in this state on which the lease or rental period has
22 expired due to nonpayment of rental charges or other reason
23 or any surplus amounts arising from the sale thereof
24 pursuant to law that have been unclaimed by the owner for
25 more than 7 5 years from the date on which the lease or

1 rental period expired."

2 Section 3. Section 70-9-202, MCA, is amended to read:
3 "70-9-202. Unclaimed funds held by life insurance
4 corporation. (1) Unclaimed funds, as defined in this
5 section, held and owing by a life insurance corporation
6 shall be presumed abandoned if the last known address,
7 according to the records of the corporation, of the person
8 entitled to the funds is within this state. If a person
9 other than the insured or annuitant is entitled to the funds
10 and no address of such person is known to the corporation or
11 if it is not definite and certain from the records of the
12 corporation what person is entitled to the funds, it is
13 presumed that the last known address of the person entitled
14 to the funds is the same as the last known address of the
15 insured or annuitant according to the records of the
16 corporation.

17 (2) "Unclaimed funds", as used in this section, means
18 all moneys held and owing by any life insurance corporation
19 unclaimed and unpaid for more than 7 5 years after the
20 moneys became due and payable as established from the
21 records of the corporation under any life or endowment
22 insurance policy or annuity contract which has matured or
23 terminated. A life insurance policy not matured by actual
24 proof of the death of the insured is deemed to be matured
25 and the proceeds thereof are deemed to be due and payable if

1 such policy was in force when the insured attained the
 2 limiting age under the mortality table on which the reserve
 3 is based unless the person appearing entitled thereto has
 4 within the preceding 7 5 years assigned, readjusted, or paid
 5 premiums on the policy or subjected the policy to loan or
 6 corresponded in writing with the life insurance corporation
 7 concerning the policy. Moneys otherwise payable according to
 8 the records of the corporation are deemed due and payable
 9 although the policy or contract has not been surrendered as
 10 required."

11 Section 4. Section 70-9-203, MCA, is amended to read:

12 "70-9-203. Deposits and refunds held by utility. The
 13 following funds held or owing by any utility are presumed
 14 abandoned:

15 (1) any deposit made by a subscriber with a utility to
 16 secure payment for or any sum paid in advance for utility
 17 services to be furnished in this state, less any lawful
 18 deductions, that has remained unclaimed by the person
 19 appearing on the records of the utility entitled thereto for
 20 more than 7 5 years after the termination of the services
 21 for which the deposit or advance payment was made;

22 (2) any sum which a utility has been ordered to refund
 23 and which was received for utility services rendered in this
 24 state, together with any interest thereon, less any lawful
 25 deductions, that has remained unclaimed by the person

1 appearing on the records of the utility entitled thereto for
 2 more than 7 5 years after the date it became payable in
 3 accordance with the final determination or order providing
 4 for the refund."

5 Section 5. Section 70-9-204, MCA, is amended to read:

6 "70-9-204. Stock, dividends, and distributions of
 7 business association. (1) Any stock or other certificate of
 8 ownership or any dividend, profit, distribution, interest,
 9 payment on principal, or other sum held or owing by a
 10 business association for or to a shareholder, certificate
 11 holder, member, bondholder, or other security holder or a
 12 participating patron of a cooperative, who has not claimed
 13 it or corresponded in writing with the business association
 14 concerning it within 7 5 years after the date prescribed for
 15 payment or delivery is presumed abandoned if it is held or
 16 owing by a business association:

17 (a) organized under the laws of or created in this
 18 state; or

19 (b) doing business in this state but not organized
 20 under the laws of or created in this state and the records
 21 of the business association indicate that the last-known
 22 address of the person entitled thereto is in this state.

23 (2) Any intangible interest in a business association
 24 as evidenced by the stock or membership records of the
 25 association is presumed abandoned and the association deemed

1 the holder thereof when:

2 (a) the interest in the association is owned by a
3 person who for more than 7 5 years has not claimed a
4 dividend or other sum referred to in subsection (1);

5 (b) the records of the association indicate that the
6 last-known address of the person entitled to the dividend is
7 in this state; and

8 (c) the association is:

9 (i) organized under the laws of or created in this
10 state; or

11 (ii) doing business in this state but not organized
12 under the laws of or created in this state.

13 (3) Any dividends or other distributions held for or
14 owing to a person at the time an intangible interest in a
15 business association is presumed abandoned pursuant to
16 subsection (2) are presumed abandoned."

17 Section 6. Section 70-9-206, MCA, is amended to read:

18 "70-9-206. Property held by fiduciary. All intangible
19 personal property and any income or increment thereon held
20 in a fiduciary capacity for the benefit of another person is
21 presumed abandoned unless the owner has, within 7 5 years
22 after it becomes payable or distributable, increased or
23 decreased the principal, accepted payment of principal or
24 income, corresponded in writing concerning the property, or
25 otherwise indicated an interest as evidenced by a memorandum

1 on file with the fiduciary:

2 (1) if the property is held by a business association,
3 banking organization, or financial organization organized
4 under the laws of or created in this state;

5 (2) if it is held by a business association, banking
6 organization, or financial organization doing business in
7 this state but not organized under the laws of or created in
8 this state and the records of the business association,
9 banking organization, or financial organization indicate
10 that the last known address of the person entitled thereto
11 is in this state; or

12 (3) if it is held in this state by another person."

13 Section 7. Section 70-9-207, MCA, is amended to read:

14 "70-9-207. Property held by court or public officer or
15 agency. (1) All intangible personal property held for the
16 owner by any court, public corporation, public authority, or
17 public officer of this state or a political subdivision
18 thereof that has remained unclaimed by the owner for more
19 than 7 5 years is presumed abandoned.

20 (2) All intangible personal property held for the
21 owner by any court, department, agency, or officer of the
22 United States, that has remained unclaimed by the owner for
23 more than 7 5 years is presumed abandoned when the records
24 of the holder indicate that the last-known address of the
25 owner is in this state."

1 Section 8. Section 70-9-208, MCA, is amended to read:

2 "70-9-208. Miscellaneous property held for another
3 person. All intangible personal property not otherwise
4 covered by parts 1 through 3, including any income or
5 increment thereon and deducting any lawful charges, that is
6 held or owing in this state in the ordinary course of the
7 holder's business and has remained unclaimed by the owner
8 for more than 7 5 years after it became payable or
9 distributable is presumed abandoned."

10 Section 9. Section 70-9-209, MCA, is amended to read:

11 "70-9-209. Gift certificates and credit memos. (1) A
12 gift certificate or a credit memo issued in the ordinary
13 course of an issuer's business which remains unclaimed by
14 the owner for more than 7 5 years after becoming payable or
15 distributable is presumed abandoned.

16 (2) In the case of a gift certificate, the amount
17 presumed abandoned is the price paid by the purchaser for
18 the gift certificate. In the case of a credit memo, the
19 amount presumed abandoned is the amount credited to the
20 recipient of the memo."

21 Section 10. Section 70-9-301, MCA, is amended to read:

22 "70-9-301. Report of abandoned property -- duty to
23 prevent abandonment prior to filing. (1) Every person
24 holding moneys or other property, tangible or intangible,
25 presumed abandoned under parts 1 through 3 shall report the

1 property to the department as hereinafter provided.

2 (2) The report shall be verified and shall include:

3 (a) except with respect to travelers' checks and money
4 orders, the name, if known, and last-known address, if any,
5 of each person appearing from the records of the holder to
6 be the owner of any property of value of \$10 or more
7 presumed abandoned under parts 1 through 3;

8 (b) in case of unclaimed moneys of life insurance
9 corporations, the full name of the insured or annuitant and
10 his last-known address according to the life insurance
11 corporation's records;

12 (c) the nature and identifying number, if any, or
13 description of the property and the amount appearing from
14 the records to be due. Items of value under \$10 each may be
15 reported in aggregate.

16 (d) the date when the property became payable,
17 demandable, or returnable and the date of the last
18 transaction with the owner with respect to the property; and

19 (e) other information which the department prescribes
20 by rule as necessary for the administration of parts 1
21 through 3.

22 (3) If the person holding property presumed abandoned
23 is a successor to other persons who previously held the
24 property for the owner or if the holder has changed his name
25 while holding the property, he shall file with his report

1 all prior known names and addresses of each holder of the
2 property.

3 (4) The report shall be filed before November 1 every
4 ~~3-years~~ year as of June 30 next preceding, but the reports
5 of life insurance corporations, banking and financial
6 organizations, and cooperatives shall be filed before May 1
7 of each year as of December 31 next preceding. ~~The~~
8 ~~department-may-request-that-any-other-reports-be-filed--each~~
9 ~~year.~~ The department may postpone the reporting date upon
10 written request by any person required to file a report. The
11 department shall furnish forms for this report.

12 (5) Not more than 120 days before filing the report
13 required by this section, the holder in possession of
14 property presumed abandoned and subject to custody as
15 unclaimed property under parts 1 through 3 shall send
16 written notice to the apparent owner at his last-known
17 address informing him that the holder is in possession of
18 property subject to this chapter if:

19 (a) the holder has in his records an address for the
20 apparent owner which the holder's records do not disclose to
21 be inaccurate;

22 (b) the claim of the apparent owner is not barred by
23 the statute of limitations; and

24 (c) the property has a value of \$100 or more.

25 (6) Verification if made by a partnership shall be

1 executed by a partner; if made by an unincorporated
2 association or private corporation, by an officer; and if
3 made by a public corporation, by its chief fiscal officer."

4 NEW SECTION. Section 11. Extension of authority. Any
5 existing authority of the department of revenue to make
6 rules on the subject of the provisions of this act is
7 extended to the provisions of this act.

-End-