## 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	E 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 TH	E HOUSE
January	28, 1987	Received from Senate.

Sent to enrolling.

Montana Legislative Council

HOUSE BILL NO. 48 1 1 INTRODUCED BY HARRINGTON 2 2 BY REQUEST OF THE DEPARTMENT OF REVENUE 3 3 4 4 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO REDUCE THE HOLDING 5 PERIOD OF UNCLAIMED PROPERTY FROM 7 YEARS TO 5 YEARS; TO ۶ 6 REQUIRE A REPORT OF ABANDONED PROPERTY EACH YEAR; AND 7 7 SECTIONS 70-9-106, 70-9-201 THROUGH 70-9-204, 8 AMENDING 8 70-9-206 THROUGH 70-9-209, AND 70-9-301, MCA." q 9 10 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 11 11 Section 1. Section 70-9-106, MCA, is amended to read: 12 12 13 13 "70-9-106. Uniform Unclaimed Property Act superseded. 14 The provisions of Title 22, chapter 3, part 5, supersede the 14 provisions of parts 1 through 3 of this chapter, except that 15 15 at its option a museum, as defined in 22-3-503, may report 16 16 property, as defined in 22-3-503, that has been on loan, as 17 17 defined in 22-3-503, unclaimed by its owner for more than 7 18 18 5 years to the department of revenue for disposition as 19 19 20 provided in part 3 of this chapter." 20 Section 2. Section 70-9-201, MCA, is amended to read: 21 21 "70-9-201. Property held by banking or financial 22 22 organization or business association. The following property 23 23 24 held or owing by a banking or financial organization or by a 24 business association is presumed abandoned: 25 25

(1) any demand, savings, or matured time deposit made in this state with a banking organization, together with any interest or dividend thereon, excluding any charges that may lawfully be withheld, unless the owner has within 7 5 years: (a) increased or decreased the amount of the deposit or presented the passbook or other similar evidence of the deposit for the crediting of interest: (b) corresponded in writing with the banking organization concerning the deposit; or (c) otherwise indicated an interest in the deposit as evidenced by a memorandum on file with the banking organization; (2) any funds paid in this state toward the purchase of shares or other interest in a financial organization or any deposit made therewith in this state and any interest or dividends thereon, excluding any charges that may lawfully be withheld, unless the owner has within 7 5 years: (a) increased or decreased the amount of the funds or deposit or presented an appropriate record for the crediting of interest or dividends; (b) corresponded in writing with the financial organization concerning the funds or deposit; or

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

# -2- INTRODUCED BILL HB48

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

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

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

(2) "Unclaimed funds", as used in this section, means 17 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

LC 0071/01

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

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

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

(2) any sum which a utility has been ordered to refund
and which was received for utility services rendered in this
state, together with any interest thereon, less any lawful
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: "70-9-204. Stock, dividends, and distributions of 6 7 business association. (1) Any stock or other certificate of 8 ownership or any dividend, profit, distribution, interest, payment on principal, or other sum held or owing by a 9 10 business association for or to a shareholder, certificate 11 holder, member, bondholder, or other security holder or a participating patron of a cooperative, who has not claimed .12 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 this18 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

(c) the association is:

8

9 (i) organized under the laws of or created in this10 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: "70-9-206. Property held by fiduciary. All intangible 18 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 otherwise indicated an interest as evidenced by a memorandum 25

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.

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

-7-

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

Section 9. Section 70-9-209, MCA, is amended to read: "70-9-209. Gift certificates and credit memos. (1) A gift certificate or a credit memo issued in the ordinary course of an issuer's business which remains unclaimed by the owner for more than 7 5 years after becoming payable or 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."

Section 10. Section 70-9-301, MCA, is amended to read:
 "70-9-301. Report of abandoned property -- duty to
 prevent abandonment prior to filing. (1) Every person
 holding moneys or other property, tangible or intangible,
 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.

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

-9-

-10-

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

3 (4) The report shall be filed before November 1 every 3-years year as of June 30 next preceding, but the reports ۵ of life insurance corporations, banking and financial 5 organizations, and cooperatives shall be filed before May 1 6 each year as of December 31 next preceding. The 7 of 8 department-may-request-that-any-other-reports-be-filed--each year. The department may postpone the reporting date upon 9 10 written request by any person required to file a report. The department shall furnish forms for this report. 11

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:

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

(b) the claim of the apparent owner is not barred bythe 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

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

-End-

-11-

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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."
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 $\pi$
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

business association is presumed abandoned:

LC 0071/01 . .

(1) any demand, savings, or matured time deposit made in this state with a banking organization, together with any 2 interest or dividend thereon, excluding any charges that may 3 lawfully be withheld, unless the owner has within 7 5 years: 4 5 (a) increased or decreased the amount of the deposit or presented the passbook or other similar evidence of the 6 7 deposit for the crediting of interest;

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

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

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

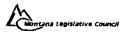
(a) increased or decreased the amount of the funds or 18 deposit or presented an appropriate record for the crediting 19 20 of interest or dividends;

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

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

-2-

SECOND READING



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 of limitation, certificates of deposit, drafts, money 5 6 orders, and travelers' checks that, with the exception of 7 travelers' checks, has been outstanding for more than 7 5 years from the date it was payable or from the date of its 8 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 intangible, removed from a safe deposit box or any other 19 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."

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

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

-3-

-4-

. . . . .

such policy was in force when the insured attained the l 2 limiting age under the mortality table on which the reserve 3 is based unless the person appearing entitled thereto has within the preceding 7 5 years assigned, readjusted, or paid 4 5 premiums on the policy or subjected the policy to loan or corresponded in writing with the life insurance corporation 6 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."

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

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

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

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

5 Section 5. Section 70-9-204, MCA, is amended to read: 6 "70-9-204. Stock, dividends, and distributions of business association. (1) Any stock or other certificate of 7 ownership or any dividend, profit, distribution, interest, 8 9 payment on principal, or other sum held or owing by a business association for or to a shareholder, certificate 10 holder, member, bondholder, or other security holder or a 11 participating patron of a cooperative, who has not claimed 12 it or corresponded in writing with the business association 13 concerning it within 7 5 years after the date prescribed for 14 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 this18 state; or

(b) doing business in this state but not organized
under the laws of or created in this state and the records
of the business association indicate that the last-known
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

-5-

LC 0071/01

-6-

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LC 0071/01

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

(c) the association is:

8

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: "70-9-206. Property held by fiduciary. All intangible 18 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 decreased the principal, accepted payment of principal or 23 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.

(2) All intangible personal property held for the
owner by any court, department, agency, or officer of the
United States, that has remained unclaimed by the owner for
more than 7 5 years is presumed abandoned when the records
of the holder indicate that the last-known address of the
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 person. All intangible personal property not otherwise 3 covered by parts 1 through 3, including any income or 4 increment thereon and deducting any lawful charges, that is 5 held or owing in this state in the ordinary course of the 6 holder's business and has remained unclaimed by the owner 7 8 for more than 7 5 years after it became payable or distributable is presumed abandoned." 9

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."

Section 10. Section 70-9-301, MCA, is amended to read:
 "70-9-301. Report of abandoned property -- duty to
 prevent abandonment prior to filing. (1) Every person
 holding moneys or other property, tangible or intangible,
 presumed abandoned under parts 1 through 3 shall report the

1 property to the department as hereinafter provided.

(2) The report shall be verified and shall include:
(a) except with respect to travelers' checks and money
orders, the name, if known, and last-known address, if any,
of each person appearing from the records of the holder to
be the owner of any property of value of \$10 or more
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.

(d) the date when the property became payable,
demandable, or returnable and the date of the last
transaction with the owner with respect to the property; and
(e) other information which the department prescribes
by rule as necessary for the administration of parts 1
through 3.

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

-10-

-9-

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

3 (4) The report shall be filed before November 1 every 3-years year as of June 30 next preceding, but the reports 4 5 life insurance corporations, banking and financial of б organizations, and cooperatives shall be filed before May 1 each year as of December 31 next preceding. The 7 of 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:

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

(b) the claim of the apparent owner is not barred bythe 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

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

-End-

-12-

1 HOUSE BILL NO. 48 INTRODUCED BY HARRINGTON 2 BY REQUEST OF THE DEPARTMENT OF REVENUE 3 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO REDUCE THE HOLDING 5 б PERIOD OF UNCLAIMED PROPERTY FROM 7 YEARS TO 5 YEARS; TO 7 REQUIRE A REPORT OF ABANDONED PROPERTY EACH YEAR; AND AMENDING SECTIONS 70-9-106, 70-9-201 THROUGH 70-9-204, 8 70-9-206 THROUGH 70-9-209, AND 70-9-301, MCA." 9 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: "70-9-106. Uniform Unclaimed Property Act superseded. 13 14 The provisions of Title 22, chapter 3, part 5, supersede the provisions of parts 1 through 3 of this chapter, except that 15 at its option a museum, as defined in 22-3-503, may report 16 17 property, as defined in 22-3-503, that has been on loan, as defined in 22-3-503, unclaimed by its owner for more than 7 18 5 years to the department of revenue for disposition as 19 provided in part 3 of this chapter." 20 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 held or owing by a banking or financial organization or by a 24

25 business association is presumed abandoned:



LC 0071/01

(1) any demand, savings, or matured time deposit made
 in this state with a banking organization, together with any
 interest or dividend thereon, excluding any charges that may
 lawfully be withheld, unless the owner has within 7 5 years:
 (a) increased or decreased the amount of the deposit
 or presented the passbook or other similar evidence of the
 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;

(b) corresponded in writing with the financialorganization concerning the funds or deposit; or

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

-2-

THIRD READING HB - 48

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, monev 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 issuance if payable on demand or, in the case of travelers' 9 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

LC 0071/01

1 rental period expired."

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

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

-3-

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-4-

such policy was in force when the insured attained the 1 limiting age under the mortality table on which the reserve 2 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 corresponded in writing with the life insurance corporation 6 7 concerning the policy. Moneys otherwise payable according to the records of the corporation are deemed due and payable 8 9 although the policy or contract has not been surrendered as 10 required."

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

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

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

5 Section 5. Section 70-9-204, MCA, is amended to read: "70-9-204. Stock, dividends, and distributions of 6 7 business association. (1) Any stock or other certificate of ownership or any dividend, profit, distribution, interest, 8 payment on principal, or other sum held or owing by a 9 10 business association for or to a shareholder, certificate 11 holder, member, bondholder, or other security holder or a participating patron of a cooperative, who has not claimed 12 13 it or corresponded in writing with the business association concerning it within 7 5 years after the date prescribed for 14 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 this18 state; or

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

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

-5-

-6-

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1	the holder thereof when:	1	on file with the fiduciary:
2	(a) the interest in the association is owned by a	2	(1) if the property is held by a business association,
3	person who for more than 7 5 years has not claimed a	3	banking organization, or financial organization organized
4	dividend or other sum referred to in subsection (1);	4	under the laws of or created in this state;
5	(b) the records of the association indicate that the	5	(2) if it is held by a business association, banking
6	last-known address of the person entitled to the dividend is	6	organization, or financial organization doing business in
7	in this state; and	7	this state but not organized under the laws of or created in
8	(C) the association is:	8	this state and the records of the business association,
9	(i) organized under the laws of or created in this	9	banking organization, or financial organization indicate
10	state; or	10	that the last known address of the person entitled thereto
11	(ii) doing business in this state but not organized	11	is in this state; or
12	under the laws of or created in this state.	12	(3) if it is held in this state by another person."
13	(3) Any dividends or other distributions held for or	13	Section 7. Section 70-9-207, MCA, is amended to read:
14	owing to a person at the time an intangible interest in a	14	"70-9-207. Property held by court or public officer or
15	business association is presumed abandoned pursuant to	15	agency. (1) All intangible personal property held for the
16	subsection (2) are presumed abandoned."	16	owner by any court, public corporation, public authority, or
17	Section 6. Section 70-9-206, MCA, is amended to read:	17	public officer of this state or a political subdivision
18	"70-9-206. Property held by fiduciary. All intangible	18	thereof that has remained unclaimed by the owner for more
19	personal property and any income or increment thereon held	19	than 7 5 years is presumed abandoned.
20	in a fiduciary capacity for the benefit of another person is	20	(2) All intangible personal property held for the
21	presumed abandoned unless the owner has, within 7 5 years	21	owner by any court, department, agency, or officer of the
22	after it becomes payable or distributable, increased or	22	United States, that has remained unclaimed by the owner for
23	decreased the principal, accepted payment of principal or	23	more than 7 5 years is presumed abandoned when the records
24	income, corresponded in writing concerning the property, or	24	of the holder indicate that the last-known address of the
25	otherwise indicated an interest as evidenced by a memorandum	25	owner is in this state."
	-7-		<b>-8</b> -

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

Section 9. Section 70-9-209, MCA, is amended to read: "70-9-209. Gift certificates and credit memos. (1) A gift certificate or a credit memo issued in the ordinary course of an issuer's business which remains unclaimed by the owner for more than 7 5 years after becoming payable or 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."

Section 10. Section 70-9-301, MCA, is amended to read:
 "70-9-301. Report of abandoned property -- duty to
 prevent abandonment prior to filing. (1) Every person
 holding moneys or other property, tangible or intangible,
 presumed abandoned under parts 1 through 3 shall report the

1 property to the department as hereinafter provided.

(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.

(d) the date when the property became payable,
demandable, or returnable and the date of the last
transaction with the owner with respect to the property; and
(e) other information which the department prescribes
by rule as necessary for the administration of parts 1
through 3.

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

-9-

-10-

all prior known names and addresses of each holder of the
 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 each year as of December 31 next preceding. The 7 of 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:

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

(b) the claim of the apparent owner is not barred bythe 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

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

-End-

-11-

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HB 0048/02

1	HOUSE BILL NO. 48	1	(1) any demand, s
2	INTRODUCED BY HARRINGTON	2	in this state with a ba
3	BY REQUEST OF THE DEPARTMENT OF REVENUE	3	interest or dividend th
4		4	lawfully be withheld, u
5	A BILL FOR AN ACT ENTITLED: "AN ACT TO REDUCE THE HOLDING	5	(a) increased or
6	PERIOD OF UNCLAIMED PROPERTY FROM 7 YEARS TO 5 YEARS; TO	6	or presented the passbo
7	REQUIRE A REPORT OF ABANDONED PROPERTY EACH YEAR; AND	7	deposit for the crediti
B	AMENDING SECTIONS 70-9-106, 70-9-201 THROUGH 70-9-204,	8	(b) corresponded
9	70-9-206 THROUGH 70-9-209, AND 70-9-301, MCA."	9	organization concerning
10		10	(c) otherwise ind
11	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	11	evidenced by a mem
12	Section 1. Section 70-9-106, MCA, is amended to read:	12	organization;
13	"70-9-106. Uniform Unclaimed Property Act superseded.	13	(2) any funds pai
14	The provisions of Title 22, chapter 3, part 5, supersede the	14	of shares or other in
15	provisions of parts 1 through 3 of this chapter, except that	15	any deposit made therew
16	at its option a museum, as defined in 22-3-503, may report	16	dividends thereon, excl
17	property, as defined in 22-3-503, that has been on loan, as	17	be withheld, unless the
18	defined in 22-3-503, unclaimed by its owner for more than 7	18	(a) increased or
19	5 years to the department of revenue for disposition as	19	deposit or presented an
20	provided in part 3 of this chapter."	20	of interest or dividend
21	Section 2. Section 70-9-201, MCA, is amended to read:	21	(b) corresponded
22	"70-9-201. Property held by banking or financial	22	organization concerning
23	organization or business association. The following property	23	(c) otherwise in
24	held or owing by a banking or financial organization or by a	24	deposit as evidenced b
25	business association is presumed abandoned:	25	financial organization;

1	<ol> <li>any demand, savings, or matured time deposit made</li> </ol>
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
13 14	(2) any funds paid in this state toward the purchase of shares or other interest in a financial organization or
14	of shares or other interest in a financial organization or
14 15	of shares or other interest in a financial organization or any deposit made therewith in this state and any interest or
14 15 16	of shares or other interest in a financial organization or any deposit made therewith in this state and any interest or dividends thereon, excluding any charges that may lawfully
14 15 16 17	of shares or other interest in a financial organization or any deposit made therewith in this state and any interest or dividends thereon, excluding any charges that may lawfully be withheld, unless the owner has within 7 5 years:
14 15 16 17 18	of shares or other interest in a financial organization or any deposit made therewith in this state and any interest or dividends thereon, excluding any charges that may lawfully be withheld, unless the owner has within 7 5 years: (a) increased or decreased the amount of the funds or
14 15 16 17 18 19	of shares or other interest in a financial organization or any deposit made therewith in this state and any interest or dividends thereon, excluding any charges that may lawfully be withheld, unless the owner has within 7 5 years: (a) increased or decreased the amount of the funds or deposit or presented an appropriate record for the crediting
14 15 16 17 18 19 20	of shares or other interest in a financial organization or any deposit made therewith in this state and any interest or dividends thereon, excluding any charges that may lawfully be withheld, unless the owner has within 7 5 years: (a) increased or decreased the amount of the funds or deposit or presented an appropriate record for the crediting of interest or dividends;
14 15 16 17 18 19 20 21	of shares or other interest in a financial organization or any deposit made therewith in this state and any interest or dividends thereon, excluding any charges that may lawfully be withheld, unless the owner has within 7 5 years: (a) increased or decreased the amount of the funds or deposit or presented an appropriate record for the crediting of interest or dividends; (b) corresponded in writing with the financial

-2-

HB 48

REFERENCE BILL

#### HB 0048/02

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

(4) any funds or other personal property, tangible or 18 intangible, removed from a safe deposit box or any other 19 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 or any surplus amounts arising from the sale thereof 23 24 pursuant to law that have been unclaimed by the owner for more than 7.5 years from the date on which the lease or 25

1 rental period expired."

2 Section 3. Section 70-9-202, MCA, is amended to read: "70-9-202. Unclaimed funds held by life insurance 3 corporation. (1) Unclaimed funds, as defined in this 4 5 section, held and owing by a life insurance corporation 6 shall be presumed abandoned if the last known address, according to the records of the corporation, of the person 7 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

-3-

HB 48

#### HB 0048/02

1 such policy was in force when the insured attained the 2 limiting age under the mortality table on which the reserve is based unless the person appearing entitled thereto has 3 4 within the preceding 7 5 years assigned, readjusted, or paid premiums on the policy or subjected the policy to loan or 5 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 required." 10

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

(2) any sum which a utility has been ordered to refund
and which was received for utility services rendered in this
state, together with any interest thereon, less any lawful
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."

Section 5. Section 70-9-204, MCA, is amended to read: 5 "70-9-204. Stock, dividends, and distributions of 6 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 this18 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.

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

- 5 -

HB 48

-6-

HB 48

HB 48

	1	on file with the fiduciary:
owned by a	2	(1) if the property is held by a business association,
claimed a	3	banking organization, or financial organization organized
);	4	under the laws of or created in this state;
e that the	5	(2) if it is held by a business association, banking
ividend is	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,
in this	9	banking organization, or financial organization indicate
	10	that the last known address of the person entitled thereto
organized	11	is in this state; or
	12	(3) if it is held in this state by another person."
d for or	13	Section 7. Section 70-9-207, MCA, is amended to read:
erest in a	14	"70-9-207. Property held by court or public officer or
rsuant to	15	agency. (1) All intangible personal property held for the
	16	owner by any court, public corporation, public authority, or
d to read:	17	public officer of this state or a political subdivision
intangible	18	thereof that has remained unclaimed by the owner for more
ereon held	19	than 7 5 years is presumed abandoned.
person is	20	(2) All intangible personal property held for the
<u>5</u> years	21	owner by any court, department, agency, or officer of the
creased or	22	United States, that has remained unclaimed by the owner for
ncipal or	23	more than 7.5 years is presumed abandoned when the records
operty, or	24	of the holder indicate that the last-known address of the
memorandum	25	owner is in this state."

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

(c) the association is:

8

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

-7-

HB 48

-8-

#### HB 0048/02

1 Section 8. Section 70-9-208, MCA, is amended to read: "70-9-208. Miscellaneous property held for another 2 person. All intangible personal property not otherwise 3 covered by parts 1 through 3, including any income or 4 increment thereon and deducting any lawful charges, that is 5 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."

Section 9. Section 70-9-209, MCA, is amended to read: "70-9-209. Gift certificates and credit memos. (1) A gift certificate or a credit memo issued in the ordinary course of an issuer's business which remains unclaimed by the owner for more than 7 5 years after becoming payable or 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."

Section 10. Section 70-9-301, MCA, is amended to read:
 "70-9-301. Report of abandoned property -- duty to
 prevent abandonment prior to filing. (1) Every person
 holding moneys or other property, tangible or intangible,
 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.

(d) the date when the property became payable,
demandable, or returnable and the date of the last
transaction with the owner with respect to the property; and
(e) other information which the department prescribes
by rule as necessary for the administration of parts 1
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

-10-

HB 48

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

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

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:

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

(b) the claim of the apparent owner is not barred bythe 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

-11-

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

-End-

HB 0048/02