



JOHN CHIANG

California State Controller

Notice to Holders – November 15, 2011 New Law Changes – Effective January 1, 2012

This notice is to assist holders in complying with the new provisions of the Unclaimed Property Law that will take effect on January 1, 2012. The changes from Senate Bill 495 are summarized below and links to the actual provision of the law are included for your convenience.

Individual Retirement Accounts and Retirement Plans

This amendment clarifies that individual retirement accounts or plans not subject to a mandatory distribution requirement are not deemed payable or distributable for dormancy calculation purposes until the owner has attained 70½ years of age. This amendment also prevents escheatment of funds from individual retirement accounts or retirement plans if, during the previous three years, the owner has owned another active account, plan or any other deposit or account not subject to escheat with the business. ([California Code of Civil Procedure section 1513](#))

Property Held in Fiduciary Capacity

All tangible or intangible property held in a fiduciary capacity for another person shall not escheat to the state if during the previous three years, the fiduciary took one of the following actions:

1. Held another deposit or account for the benefit of the owner,
2. Maintained a deposit or account on behalf of the owner in an individual retirement account, or

Held funds or other property under a retirement plan and during the previous three years the owner had activity on the related account and the fiduciary has communicated electronically or in writing with the owner at the address to which communications are regularly sent.

Communications include account statements or other required statements. ([California Code of Civil Procedure section 1518](#))

Retention Period for Property of no Commercial Value

Any property delivered to the Controller that has no apparent commercial value shall be retained by the Controller for a period of not less than seven years from the date the property is delivered to the Controller. ([California Code of Civil Procedure section 1565](#))

For complete reporting instructions and forms, please visit our website at: www.sco.ca.gov . If you have any questions about this notice or reporting unclaimed property, you may contact the Outreach and Compliance Unit at (916) 464-6088 or email: UPDCompliance@sco.ca.gov.