



STATE OF NORTH CAROLINA DEPARTMENT OF STATE TREASURER

RICHARD H. MOORE
TREASURER

MEMORANDUM 1010

FEBRUARY 23, 2004

To: Tax Collectors and Finance Officers

From: Shirley S. Fowler
Unclaimed Property Administrator

Vance Holloman
Local Government Commission

Re: Attachment of funds held in the Escheat Fund for taxpayers

We have reviewed the means of cooperating with local Tax Collectors in their efforts to use attachment to collect delinquent taxes owed by taxpayers who have funds held in the Escheat Fund.

When a Tax Collector sends an attachment notice to the Unclaimed Property Administrator for a taxpayer that can be identified in unclaimed property records by name and address or social security number, the amount owed, up to the amount listed, by that taxpayer is sent to the Tax Collector. Often social security numbers are not included in unclaimed property records; therefore, addresses are most often used in matching owners. Tax Collectors should take steps to insure that the attachment notice contains the address that is listed in the unclaimed property records for the named person. When a notice is sent by the Tax Collector with name only or with an address or social security number for which the Administrator cannot find a match within the unclaimed property list of owners, the attachment is returned and the Tax Collector informed of the additional information that is needed to properly identify the owner of the funds. The Tax Collector must determine that the delinquent taxpayer is the same person as the owner listed in unclaimed property records. An address history showing that the taxpayer did live at the address listed will help verify that the unclaimed property owner and taxpayer are in fact the same person.

Further, on occasion, after the Unclaimed Property Administrator has responded to an attachment notice by sending funds to the Tax Collector, the amounts are returned to the Unclaimed Property Administrator when the taxpayer's delinquency is satisfied by payment by the taxpayer or another source. Those funds are property of the taxpayer and should be refunded directly to the taxpayer upon whose account the original attachment notice was sent to the Unclaimed Property Administrator. If the taxpayer cannot be located, then the amounts should be reported in the local government unit's next regular reporting cycle as unclaimed property.

In addition to the annual list of unclaimed property owners in the Clerks of Court offices, the State Treasurer's web site, www.nccash.com, provides names and addresses of owners of unclaimed property. The Unclaimed Property Program does not have staff to provide specific list of owners to individuals or units of government.

We expect this clarification and uniform approach will assist Tax Collectors and Finance Officers in their compliance efforts and permit efficient administration of the attachment process, and the unclaimed property reporting and claims processes.

If you have any questions, please contact the Unclaimed Property Program at 919-508-1000 or the Local Government Commission at 919- 807-2380.