STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

ANDY DILLON
STATE TREASURER

January 27, 2012

Janet K. Welch
Executive Director
State Bar of Michigan
306 Townsend St.
Lansing, MI 48933

RE: Notice Regarding Unclaimed Property Voluntary Disclosure Program

Dear Ms. Welch:

This letter is in response to your correspondence dated January 3, 2012.

With respect to the first issue raised in your letter regarding our requirement that holders affirmatively report the absence of unclaimed property with the filing of the Attestation of Compliance form, it is our position that section 31(1) of the Uniform Unclaimed Property Act (The Act) grants the State Treasurer the authority to require such a form. Section 31(1) indicates that the State Treasurer may require an entity who has not filed a report to file a verified report in a form specified by the Treasurer.

With respect to the second issue raised in your letter regarding the authority for a 10-year lookback period for audits, it is our position that the State Treasurer has the authority to audit a holder for the last 10 report years pursuant to Sections 31(2), 31(5) and 32(1) of the Act. Section 31(2) grants the Treasurer the authority to audit for unclaimed property. It should be noted that neither Section 31(2) nor any other section contained in the Act limits the audit lookback period. Given that Section 32(1) requires holders to maintain unclaimed property records for 10 years after the property becomes reportable, it is our policy to limit the audit lookback period to the period of time for which such records must be maintained by the holders. In addition, please note that Section 31(5) allows for estimates for those time periods where the holder has failed to maintain the records required by Section 32(1) or where available records are insufficient to prepare a holder report.

In case of any questions, please contact me at (517) 241-4865.

Sincerely,

Richard J. Darling

Richard J. Darling
Deputy State Treasurer
Financial and Administrative Services