



UNCLAIMED PROPERTY ALERT

The Latest Unclaimed Property Updates from Delaware

Pam Wentz, National Practice Leader of Georgeson's Unclaimed Property Consulting Team, recently sat down with Brenda Mayrack, Delaware State Escheator, to discuss the state's current unclaimed property enforcement efforts. The discussion centered on 12 Del. C. §§ 1172-1173 which requires, generally, that companies be offered the option of enrolling in the Delaware's Voluntary Disclosure (VDA) program prior to being selected for audit. Once the Secretary of State (SOS) sends an invitation letter, the company has 60 days to enroll in the VDA with the state.

Ms. Mayrack clarified that companies who do not elect to participate in the VDA program will, in fact, be selected for audit. While in the past, companies that opted not to enroll in the SOS VDA program were at a higher risk of audit, an audit was not initiated in every case. That has changed; Delaware will now initiate an audit of all companies that do not enroll in the VDA. Ms. Mayrack wants to make sure companies are aware of that fact before making a decision. She also emphasized companies are welcome to proactively participate in the SOS VDA program at any time and do not need to wait for an invitation.

Delaware plans to send out VDA invitation letters on a quarterly basis going forward as a means of better managing both the SOS VDA program and Department of Finance audit program.

What does this mean to you?

Companies that have not already made a decision to join the Delaware VDA program should be fully aware that if they do not enter into a SOS VDA after receiving an invitation, they will be audited. Participating in the VDA program can be advantageous in many situations; however the decision should not be taken lightly and all facts and circumstances should be carefully considered.

Georgeson has unclaimed property specialists that can provide guidance to holders in making the decision and throughout the VDA or audit process.

This article is intended for informational purposes and is not to be considered legal advice. For additional questions concerning this alert, contact Pam Wentz at pwentz@georgeson.com or 201-744-5405.

Georgeson actively tracks legislative changes and periodically reaches out to states for updates. Review previous Unclaimed Property Alerts:

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