



UNCLAIMED PROPERTY ALERT

Maine transitions to a gift card exemption - ME HB 1164

On January 30, 2020, Maine enacted HB 1164 which amends Section 2067.2 of the Maine Revised Unclaimed Property Act. Previously, the amount unclaimed on an abandoned gift obligation was 60% of the net obligation value at the time it was presumed abandoned. Under HB 1164, the amount unclaimed will be phased out until the calendar year 2022 and thereafter at which time the amount unclaimed will reach 0% of the net obligation value. The phase out timeline will be as follows:

- For a gift obligation whose issuance or whose most recent transaction, whichever is later, occurred during calendar year 2019 or earlier, **60%** of the net obligation value at the time it is presumed abandoned;
- For a gift obligation whose issuance or whose most recent transaction, whichever is later, occurred during calendar year 2020, **40%** of the net obligation value at the time it is presumed abandoned;

- For a gift obligation whose issuance or whose most recent transaction, whichever is later, occurred during calendar year 2021, **20%** of the net obligation value at the time it is presumed abandoned; and
- For a gift obligation whose issuance or whose most recent transaction, whichever is later, occurred during calendar year 2022 or after, **0%** of the net obligation value at the time it is presumed abandoned.

The bill is effective 90 days after session adjournment.

What does this mean to you?

Holders that report gift obligations to the state of Maine will need to update their process for calculating the percentage of the net obligation value to determine the correct amount that must be reported to the state each year until 2022 and thereafter. The dormancy period of 2 years is not impacted by this bill.

The full text of the bill can be found [here](#).

This article is intended for informational purposes and is not to be considered legal advice. For additional questions concerning this alert, contact Dana Terry at dterry@georgeson.com or 201-539-1998.

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

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