



Metropolitan Government of Nashville and Davidson County - Finance Dept. Policy: Unclaimed Property

Effective Date: April 30, 2006
Revision Date: September 16, 2025
Policy Number: 1.12
Sponsor: Division of Accounts

Purpose

The purpose of this Policy Statement is to establish uniform guidelines across the Metropolitan Government of Nashville & Davidson County for the disposition of Unclaimed Property. The Tennessee Uniform Disposition of Unclaimed Property Act as documented in Tennessee Code Annotated (TCA) 66-29 -101:184 requires all businesses or other organizations to review their records annually to determine if they are in possession of any funds due to another person(s) that have been unclaimed for the time period as defined by the state of Tennessee (herein after referred to as "State").

Definitions

Unclaimed Property: Consists of obligations that are unclaimed by, or undelivered to, the true/beneficial owner for the statutory time period (dormancy period). Examples include outstanding checks, accounts receivable, credit balances, outstanding wage checks, and any actual physical property.

Due Diligence: A "good faith" attempt by Metro to inform the unclaimed property owner of his/her property prior to remittance to the State.

Escheatment: The process of remitting unclaimed property to the State.

Claim Form: A form that is submitted by the beneficial owner in order to claim his/her property.

Beneficial Owner: The person or persons who are the legal owner(s) of the property. This can be the actual person to whom the unclaimed property is owed, their heirs, or in the case of a business, the person(s) with a legal equitable interest.

Dormancy Period: The legal amount of time that unclaimed property must remain dormant, or have no activity, in order to be considered unclaimed. These dates vary depending upon the type of property and are subject to change.

General Policies

Annually, the Division of Accounts shall notify all departments of the Metropolitan government of their requirements under the Tennessee Uniform Disposition of Unclaimed Property Act. Note that Elected Officials, Courts and component units conduct their own unclaimed property processes unless they request assistance from Division of Accounts. Each department is required to submit a list of all unclaimed property, meeting the dormancy period requirements outlined in the notice, to the Division of Accounts in accordance with the notification received. Each department should review its records to determine if they are in possession of unclaimed property that should be escheated to the State of Tennessee. The dormancy period is established by the State in TCA 66-29-101:184.

Departments with unclaimed property will be required, as described in the annual notification, to prepare a specifically formatted file providing all necessary information for the submission of unclaimed property to the State. Information required includes, but is not necessarily limited to, the full name, address, social security



METROPOLITAN GOVERNMENT OF NASHVILLE & DAVIDSON COUNTY

number or tax id and amount of each piece of unclaimed property for that department. At such time that the file of unclaimed property is sent to the Division of Accounts, the department should be ready to transfer these funds to the Division of Accounts (either by bank transfer or journal entry). Please note, it is the responsibility of the Metro departments to use its best effort to reunite the property with its beneficial owner during the dormancy period.

Departments without unclaimed property are required to submit an affidavit (to be provided in the annual notification) to the Division of Accounts stating that in accordance with the Tennessee Uniform Disposition of Unclaimed Property Act, the department affirms that it is not in possession of unclaimed property that needs to be remitted to the State. Departments that affirm they do not have unclaimed property for remittance to the State but later determine that they are in possession of funds that should be remitted to the State, may incur fines and penalties by the State as described in the Tennessee Uniform Disposition of Unclaimed Property Act. Such payments are the financial responsibility of the department assessed.

The Division of Accounts shall perform due diligence on behalf of the Metropolitan government. A notification will be sent to each property owner in accordance with the Tennessee Uniform Disposition of Unclaimed Property Act. The Division of Accounts shall also oversee the process of accepting electronic claim forms using HubNashville from the beneficial owners of the unclaimed property, the verification of the owner's identity and the processing of payment or notification of denial of claim as necessary.

The Division of Accounts shall remit the details and payment of all unclaimed property to the state for the Metropolitan government by the applicable deadlines under the Tennessee Uniform Disposition of Unclaimed Property Act.

Applicable Local, State or Federal Regulations

Metro. Charter art. 8, § 8.103: The director of finance shall be responsible to the mayor for the administration of the financial affairs of the metropolitan government.

Metro. Charter art. 8, § 8.104: The budget officer, with the advice and assistance of the chief accountant, shall write, revise and maintain a proper standard procedure instruction manual to be followed by all officers, departments, boards and other agencies of the government to ensure uniform accounting and budgetary procedures.

Metro. Charter art. 8, § 8.105: The chief accountant shall maintain a general accounting system and such cost accounting records as shall be required by the director of finance.

Tennessee Uniform Disposition of Unclaimed Property Act (TCA 66-29)

Associated Policies

None.

Effective Date

This Policy Statement shall become effective upon issuance and shall be applied to all Metro departments and agencies.

Approvals

Approval of the Director of Finance

I hereby approve this Policy Statement of the Department of Finance and as such agree with and authorize the actions necessary to implement its requirements.



**METROPOLITAN GOVERNMENT OF
NASHVILLE & DAVIDSON COUNTY**

Jenneen Reed

Director of Finance

Date: September 16, 2025