



COMMONWEALTH OF KENTUCKY

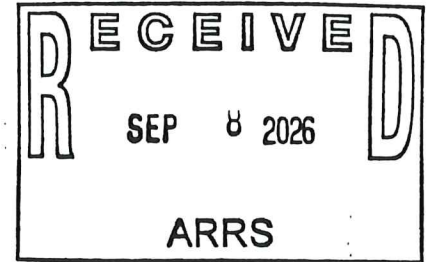
OFFICE OF THE STATE TREASURER

MARK H. METCALF

1050 US 127 South • Suite 100 • Frankfort, Kentucky 40601 • (502) 564-4722 • FAX (502) 564-6545
Visit our web site at <https://treasury.ky.gov>

September 8, 2026

Senator Michael Nemes
Representative David Hale
Representative D.J. Johnson
c/o Legislative Research Commission
083, Capitol Annex
702 Capitol Avenue
Frankfort, KY 4060



Re: 20 KAR 1:050. Unclaimed property; examination of holder records.
20 KAR 1:060. Unclaimed property; safe deposit boxes or other safekeeping repositories.
20 KAR 1:080. Reports to be filed by holders of unclaimed property.

Dear State Government Interim Joint Committee Co-Chairs,

After consideration of the issues raised by interested parties following the conclusion of the public comment period, the Kentucky State Treasury proposes the attached agency amendment to this ordinary administrative regulation.

SUMMARY OF AMENDMENTS

20 KAR 1:050: The agency amendment clarifies the circumstances after which estimation may be used the department when determining holder liability relative to unclaimed property. The amendment limits the proposed circumstances to only those allowed by statute. The agency amendment also supplements the related authority to include KRS 393A.600.

20 KAR 1:060: The agency amendment supplements the related authority to include KRS 393A.360. Additionally, the agency amendment modifies the safe deposit box inventory procedures granting regulated entities the ability to request that the department conduct an inventory of the property delivered to the department. Absent such a request, the department would not be obligated to conduct an inventory unless cash or coin were reported in the contents of the Holder report.





OFFICE OF THE STATE TREASURER

20 KAR 1:080: The agency amendment modifies the time frame within which holders are obligated to send written notices to property owners consistent with Kentucky statutes. The agency amendment further amends the time period during which holders must retain its records for property reported in the aggregate to seven (7) years.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert L. Gullette III", written over a horizontal line.

Robert L. Gullette III
Deputy General Counsel



Agency Amendment
[State Government IJC - September 8, 2026]

DEPARTMENT OF TREASURY
Kentucky State Treasurer's Office
Unclaimed Property Division

20 KAR 1:080. Reports to be filed by holders of unclaimed property.

RELATES TO: KRS 393A.040, 393A.220, 393A.230, 393A.340, 393A.480, 424.180, 424.190~~[393.110(1), 393.130]~~

STATUTORY AUTHORITY: KRS 393A.030~~[393.280(4)]~~

CERTIFICATION STATEMENT: This is to certify that this administrative regulation complies with the requirements of 2025 RS HB 6, Section 8.

NECESSITY, FUNCTION, AND CONFORMITY: KRS 393A.030~~[393.280(4)]~~ **authorizes**~~[allows]~~ the State Treasurer to promulgate administrative regulations and any reasonable and necessary rules for the enforcement of KRS Chapter 393A~~[393]~~. KRS 393A.220~~[393.110(1)]~~ requires the holder of unclaimed property to submit annual reports to the Department of the Treasury concerning the property. This administrative regulation establishes the reporting requirements for a holder of unclaimed property.

Section 1. Reports Filed by a Holder of Unclaimed Property. A holder of unclaimed property shall annually **electronically** file, in accordance with KRS 393A.220~~[393.110]~~, a completed, Unclaimed Property Report/Remit Form with the Department of the Treasury no later than the close of business on November 1 of each year.

(1) A holder of property presumed abandoned shall make an annual report to the Department of the Treasury concerning the property. The annual report shall cover the twelve (12) months ending on June 30 of that year. Holders are required to submit their report by electronic submission through the designated online portal~~[diskette or compact disc]~~ in the format required by the department **at https://kyholder.unclaimedproperty.com/Account/Login**~~[for ten (10) or more properties]~~. All property so reported shall be turned over simultaneously with the report by November 1 to the Department of the Treasury. This reporting requirement applies to all properties, with the exception of travelers' checks and money orders, and shall be verified and shall include:

(a) The name, if known, and last known address, if any, of each person appearing from the records of the holder to be the owner of any property of value of fifty (50) dollars~~[\$100]~~ or more presumed abandoned under this chapter and in the case of unclaimed funds of life insurance corporations, the full name of the insured or annuitant and his or her last known address according to the records of the life insurance corporation;

(b) Identifying data of the property owner, including, Social Security number, date of birth, policy number, check number, name, and address of listed beneficiaries, etc.;

(c) Description of the property, including, physical description, property type codes, and the amount appearing from the records to be due, except items of value of fifty (50) dollars~~[\$100]~~ or less. The items of value of fifty (50) dollars~~[\$100]~~ or less may be reported in aggregate.

(d) The date when the property became payable, demandable, or returnable, and the date of the last known transaction with the owner with respect to the property if readily available.

(2) If the fair cash value of the property is more than fifty (50) dollars~~[\$50-]~~~~[400]~~, the holder of property presumed abandoned shall send written notice to the apparent owner, not more than 180 ~~[120]~~ days or less than sixty (60) days before filing the report, stating that the holder is in possession of the property subject to this section. The holder shall not be required to mail a notice to any apparent owner where the fair cash value of the property is fifty (50) dollars~~[\$100]~~

or less. The notice shall contain:

- (a) The statement to the owner that properties are being held to which the addressee appears entitled;
- (b) The name and address of the person holding the property and any necessary information regarding a change of name and address of the holder; and
- (c) A statement, that if satisfactory proof of claim is not presented by the owner to the holder by the date specified, the property shall be placed in the custody of the department to whom all further claims shall be directed.

(3)

(a) A person shall turn over to the department all property reportable as required by KRS Chapter 393A[393] and this administrative regulation to the department by November 1, unless:

- 1. The person making the report or the owner of the property shall certify to the department that any or all of the statutory conditions necessary to create a presumption of abandonment no longer exists or never did exist; or
- 2. The person is able to provide documentation of facts or circumstances that will rebut the presumption of abandonment;

(b) If either of these conditions are met, then the person reporting or holding the property shall not be required to turn the property over to the department except on order of court.

(4) The holder of abandoned property shall maintain its records for a period of seven (7)~~ten (10)~~~~five (5)~~ years from the date of its report for items reported in the aggregate.

(5) If the owner of the property reported in the aggregate makes a valid claim within seven (7)~~ten (10)~~~~five (5)~~ years, the holder shall provide the owner with account data necessary for the department to identify the account from the aggregate amount.

(6) The annual reports shall be retained by the department for a period of five (5) years.

(7)

(a) The department shall notify all apparent owners of the unclaimed property in accordance with this section by means of posting on the department's Web site.

(b) The department may use any of the following to provide additional notice to the apparent owners:

- 1. Publication in a newspaper of general circulation:
 - a. In the area of the state in which the last known address of a person to be named in the notice is located; or
 - b. If the address is unknown, in the area in which the holder has its principal place of business in the state; or
- 2. Individual contact by regular or electronic mail, or by telephone, if the department has current contact information on file;

(c) The department may~~shall~~, notwithstanding KRS 424.180 and 424.190, provide, on an annual basis, notice or published advertisement of property transferred to it. Any procedures prescribed by the department in accordance with this section shall employ the most cost-effective methods available for the submission of reports to the department and the notice or advertisement of property transferred to the department. The cost of the publication shall be paid by the state.

(d) The advertisement shall be published as required on or before October 1 following the year when the report was received, and the publishing shall be paid constructive notice to all parties.

(8) If a person files an action in court claiming any property that~~which~~ has been reported, or is to be reported, under the provisions of this chapter, the person reporting or holding the property shall be under no duty, while the action is pending, to turn the property over to the department, but shall have a duty of notifying the department of the pendency of the action.

(9) The person reporting or holding the property or any claimant of it shall always have the right to a judicial determination of his or her rights under this chapter, and nothing in this chapter shall

be construed otherwise. The Commonwealth may institute an action to recover the property presumed abandoned, whether it has been reported or not, and may include in one (1) petition all property within the jurisdiction of the court in which the action is brought, if the property of different persons is set out in separate paragraphs.

Section 2. Reports on Property Held in an Interest Bearing Account. If the holder of unclaimed property is required to place that property in an interest bearing account, pursuant to KRS 393A.040(5)(a)~~[393.130]~~, the holder shall submit to the Department of the Treasury the following reports: A statement on the interest-bearing account holding unclaimed property. The statement shall:

- (1) Be the kind normally issued on an interest-bearing account;
- (2) Be filed with the Department of the Treasury on an annual basis according to the holder's normal course of business; and
- (3) Include the value of the unclaimed property and the amount of the interest paid on the account.

Section 3. Reports on an Amount Paid Out of an Account Holding Unclaimed Property.

- (1) A holder of an account holding unclaimed property shall file a report within ten (10) business days of paying an amount out of the account.
- (2) The report shall include:
 - (a) The name, Social Security number, and the address of the property owner;
 - (b) The amount paid;
 - (c) The portion of the amount that represents interest paid and the portion that represents the original amount of unclaimed property;
 - (d) The date the property was presumed abandoned;
 - (e) Proof of payment;
 - (f) An itemization of each fee or expense charged against the account; and
 - (g) An affidavit indicating:
 1. What specific proof was used in determining that the person that received the amount or payment was the rightful claimant; and
 2. That the procedures for paying a claim for unclaimed property as established in 20 KAR 1:040 were followed.
- (3) The report shall be filed at the Department of the Treasury.

~~[Section 4.] [Incorporation by Reference.]~~

~~[(1)] ["Unclaimed Property Report/Remit Form", 2006 edition, is incorporated by reference.]~~

~~[(2)] [This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Department of the Treasury, 1050 U.S. Hwy. 127 South, Suite 100, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:00 p.m.]~~

FISCAL IMPACT STATEMENT

(1) Identify each state statute, federal statute, or federal regulation that requires or authorizes the action taken by the administrative regulation:

KRS 61.876; KRS 393A.030

(2) State whether this administrative regulation is expressly authorized by an act of the General Assembly, and if so, identify the act:

Yes, KRS 393A.030 specifically authorizes the promulgation of administrative regulations.

(3)(a) Identify the promulgating agency and any other affected state units, parts, or divisions:

Kentucky State Treasury (b) Estimate the following for each affected state unit, part, or division identified in (3)(a):

(b) Estimate the following for each affected state unit, part, or division identified in (3)(a):

1. Expenditures:

For the first year: No additional cost will be incurred in association with the requested amendment to the existing administrative regulations.

For subsequent years: No additional cost will be incurred in association with the requested amendment to the existing administrative regulations.

2. Revenues:

For the first year: No additional revenues will be received in association with the requested amendment to the existing administrative regulations.

For subsequent years: No additional revenues will be received in association with the requested amendment to the existing administrative regulations.

3. Cost Savings:

For the first year: No cost savings will be gained in association with the requested amendment to the existing administrative regulations.

For subsequent years: No cost savings will be gained in association with the requested amendment to the existing administrative regulations.

(4)(a) Identify affected local entities (for example: cities, counties, fire departments, school districts):

None.

(b) Estimate the following for each affected local entity identified in (4)(a):

1. Expenditures:

For the first year: N/A

For subsequent years: N/A

2. Revenues:

For the first year: N/A

For subsequent years: N/A

3. Cost Savings:

For the first year: N/A

For subsequent years: N/A

(5)(a) Identify any affected regulated entities not listed in (3)(a) or (4)(a):

None.

(b) Estimate the following for each regulated entity identified in (5)(a):

1. Expenditures:

For the first year: N/A

For subsequent years: N/A

2. Revenues:

For the first year: N/A

For subsequent years: N/A

3. Cost Savings:

For the first year: N/A

For subsequent years: N/A

(6) Provide a narrative to explain the following for each entity identified in (3)(a), (4)(a), and (5)(a)

(a) Fiscal impact of this administrative regulation:

No impact.

(b) Methodology and resources used to reach this conclusion:

The agency conducted an examination of existing administrative regulations and the requested modifications of same. Following that examination, those most affected by the administrative regulations determined that the modifications requested would not significantly change the existing practices of the agency or the costs associated with complying with the administrative regulations as amended.

(7) Explain, as it relates to the entities identified in (3)(a), (4)(a), and (5)(a):

(a) Whether this administrative regulation will have a "major economic impact", as defined by KRS 13A.010(14):

The administrative regulation will NOT have a "major economic impact", as defined by KRS 13A.010.

(b) The methodology and resources used to reach this conclusion:

The agency conducted an examination of existing administrative regulations and the requested modifications of same. Following that examination, those most affected by the administrative regulations determined that the modifications requested would not significantly change the existing practices of the agency or the costs associated with complying with the administrative regulations as amended.