

Due Diligence


- Required for each owner with an account balance of \$50 or greater.
- Due diligence consists of mailing a first class letter to the owner.
- The purpose of the letter is to give the owner the opportunity to collect the funds from you and relieve you of the liability to have to report and remit the funds to the Unclaimed Property Division.
- You MUST wait at least 60 days after you send the letters to the owners before you send in your report to the Unclaimed Property Division. Note: You are still required to submit your report by November 1.
- You cannot wait any longer than 180 days from the time you send the letters to the owners to the time you send in your report to the Unclaimed Property Division.
- It is in your company's best interest to return the funds to the owner rather than turn the funds over to the Division of Unclaimed Property. Owners that are still customers or employees of yours tend to get upset when their funds are turned over to the Division of Unclaimed Property.
- You may be subject to penalties if you do not comply with the due diligence requirements.



IMPORTANT: You may NOT charge or deduct a fee from the owners account to perform the due diligence. If you use a vendor to perform your due diligence, make sure they are not charging a fee to the owner. If a vendor does charge or deducts a fee, it does not constitute your requirement of due diligence and you may be subject to penalties.

Sample Due Diligence

Below is a sample Due Diligence Letter. If you use a format different than below, you must ensure that you include all requirements found under Tennessee Code Annotated 66-29-129.



Widget Corporation
1st Avenue South
Big City, US 99999-9999
(123) 555-1234

May 1, 2020
Owner Name
1234 Any Road St. N
Any Town, US 99999-9999

Property Description: xxxxxx
Balance: \$xxxx.xx

Dear Owner Name:

We are holding unclaimed property due to the person listed above. The State of Tennessee requires us to notify you that your property may be transferred to the custody of the treasurer if you do not contact us within thirty (30) days after the date of this notice. The owner may claim this property by contacting us at the address and/or telephone number listed below.

Widget Corporation
1st Avenue South
Big City, US 99999-9999
(123) 555-1234

If we do not hear from the owner by (the last date your system can remove items for refund before reporting to the state), the law requires us to submit this property to the Tennessee Treasury Department Unclaimed Property Division. You will then have to file a claim with the State of Tennessee to receive your property. Property, not legal tender, may be subject to sale by the treasurer.

I.M. HELPFUL
Widget Company

Remember, you are required to wait 60 days after you mail the due diligence letter before you send the funds to the state. If an owner comes forward within those 60 days, you are required to return the funds to the owner.

Reporting Made Simple.

If you return the property to your customers,
you will not have to report that record.