



UNCLAIMED PROPERTY

VOLUNTARY DISCLOSURE PROGRAM (VDP) FAQs

1. What is the Voluntary Disclosure Program (VDP)?

The Voluntary Disclosure Program (VDP) is a program designed by the Unclaimed Property Division to encourage holders to voluntarily become compliant with unclaimed property reporting requirements. The program allows participants to remit past due unclaimed property without paying interest and penalties.

2. What are the benefits of participating in the Voluntary Disclosure Program (VDP)?

Participants in the Voluntary Disclosure Program are eligible for the waiver of interest and penalties, usually charged on past due properties.

3. Who is eligible to participate in the VDP?

Any company, organization, or entity in possession of past due unclaimed properties reportable to North Carolina, that is not currently under audit by the Unclaimed Property Division or one of our Audit Vendors is eligible to participate in the VDP. Holders currently under audit or that have been notified of an upcoming audit by the Unclaimed Property Division or one of our Audit Vendors may not be eligible to participate in the VDP.

4. How do I participate in the VDP?

Send an email with your contact information to:

voluntarydisclosureprogram@nctreasurer.com . A member of the Compliance and Audit section will contact you with more information.

5. How much time do I have to complete my self-review and file unclaimed property reports?

After the Holder has verified they are not currently under audit by UPD or an agent of UPD, an opening conference is held with the Holder to determine the appropriate documents to send to the Holder. The Holder will have 90 days to complete and return their documentation to the Unclaimed Property Division for consideration of participation in the VDP. After the Holder's documentation has been reviewed and they are approved to complete the VDP, the Holder has 90 days to:

1. Perform due diligence in accordance with NCGS § 116B-59
2. File Annual Report(s) for each report year past-due unclaimed property is found, within ninety (90) days of the VDA approval date (date signed by UPD).
3. Submit the full payment of past due unclaimed property.

6. What is the lookback period?

The lookback period is ten years plus the dormancy period.

7. Once I am done with my self-review, should I report the unclaimed property identified or will the Unclaimed Property Division have to review my findings before any report is submitted?

Once the self-review is done, the Holder will send the self-review to the Compliance Auditor who will then evaluate the self-review and make a recommendation to the Audit Manager. If the Compliance Auditor agrees with the Holder's self-review, the Holder will perform due diligence and submit the reports to the State of North Carolina - Unclaimed Property Division.

8. Can I request an extension to do my self-review and/or to submit the reports?

Yes, an extension can be requested. However, extensions will only be granted for good cause.

9. Does participation in the VDP increase my chances of being audited?

No participation itself will not increase your chances of being audited. There are multiple factors used in identifying audit candidates, including but not limited to; reporting history, presence of facilities in North Carolina and number of employees.

10. Does participation in the VDP protect me from being audited in the future?

The Unclaimed Property Division reserves the right to audit the results of the VDP for one year after the program requirements have been met.

11. Where can I find out more information about the Voluntary Disclosure Program (VDP)?

Visit our website at: nccash.com/reporting.

12. Who do I contact if I have more questions?

Direct all additional reporting and filing inquiries to the North Carolina Unclaimed Property compliance staff. The compliance staff can be reached at unclaimed.property@nctreasurer.com or by calling 919- 814-4200 and selecting Option 3.