



State of New Jersey

Unclaimed Property Administration (UPA)

Reporting Procedures - Safe Deposit Boxes/Tangible Property

The following information is intended as a guide summarizing your obligation- to report unclaimed safe deposit boxes and other tangible items. The basis for this document is to support the New Jersey Uniform Unclaimed Property Act (N.J.S.A.46:30B et.seq.).

General Reporting Information

The statutory reporting cycle for safe deposit box/tangible items is July 1st through June 30th. Items that have been deemed abandoned for at least 5 years within this time frame are eligible for escheatment or liquidation per N.J.S.A.46:30B-45. The preliminary unclaimed safekeeping report for this property must be submitted to this office before November 1st of the report cycle ending June 30th. All reports (preliminary and final) must be submitted through the UPA's online reporting application.

Unclaimed Property Safe Deposit Box Reports must be created and submitted in a format that is in compliance with the NJ UPA's current standards. Please visit our Holder Reporting Information page [here](#) for more information.

- Each owner's contents must be inventoried individually but the lot of items must be reported together by box/unit.
- Only lien charges applicable to a specific box/unit may be applied to that box/unit.
- If an auction is held, sales proceeds and related sales expenses applicable to a specific box/unit should be applied to that box/unit.
- Collectible cash or coins must be maintained in its original form and not deposited with regular cash.
- A listing of safekeeping specific reporting codes may be viewed [here](#).
- Safe Deposit Box (SDB) property should be submitted on a separate report limited to safe deposit box contents and non-collectable cash (including auction proceeds).

Proper Inventory of Contents

One year after contact has been lost with the owner of the items, the bank/business entity may drill (if needed), inventory, and securely store the items in a new location. This process must be completed by an authorized representative of the bank/entity with a notary present. It is preferred that the notary be an independent representative. The contents of the box, along with the notarized, detailed inventory of the contents shall be placed in a sealed bag. The listing of contents should include the owner's name, last known address, Tax ID#, and assigned safe deposit box number. This sealed bag should be stored in a secure location (general vault, etc.).

Contraband

If weapons or contraband items (guns, bullets, knives over 4 1/2 inches long, illegal drugs, etc.) are found at the time of drilling and inventorying, the Holder should immediately notify the proper authorities. **Do not wait 5 years to inform the proper authorities.** Follow your internal policy regarding Contraband. The Holder must document the action taken.

Handling and Reporting of Cash

Any non-collectable cash/coins that are in a safe deposit box when the box is drilled should be counted, logged on the inventory listing and deposited into an escrow account. These funds are to be included in the preliminary and final safekeeping report submitted to the UPA. Use NAUPA code 'SD02' for the cash deposit. These funds are to be remitted via one of the payment options in the UPA's online holder reporting application.

Estimating Values

An estimated value must be provided for each individual tangible item listed on the report per N.J.A.C. 17:18-1.4.

Holder Liquidation of Contents

A holder of safekeeping is encouraged to conduct its own sale or auction (NJ Rev Stat § 17:14A-51). This is the only way to ensure the Holder may recover any lien charges. If a holder conducts a sale or auction of safekeeping contents, the proceeds less any lien charges, storage costs, and advertising costs must be reported and remitted to the state five years after the lease or rental period has expired. The report must identify the individual items sold as well as items not sold on the preliminary safekeeping report. The excess proceeds must accompany the Unclaimed Safekeeping Report. The lien charges and sale expenses may only be deducted from each individual box/unit. The Holder may not add together proceeds from all box/units and seek total reimbursement for all lien charges and sale expenses. Proof of costs for each individual box/unit must be maintained by the holder. Each box/unit must be accounted for separately in all respects.

Due Diligence Notification

Holders are required to issue a notice to the apparent owner of property pending escheatment. This must take place 120 and 60 days before the preliminary report is submitted to the UPA. The Holder may use either the last known address for due diligence sent via postal mail or the last known email address for an electronic notice. The Due Diligence Notification only pertains to owners whose total property is valued at or above \$50.00 (N.J.S.A. 46:30B- 50).

Destruction of Contents

Contents that remain after a sale or auction may be destroyed by the holder if they meet the definition of "worthless" per (N.J.A.C. 17:18-1.6). If the Holder is not auctioning the items than the identification of worthless items needs to take place prior to the creation and issuance of the preliminary report. If items on the preliminary report are flagged as worthless and thus in line to be destroyed prior to the delivery of tangible items to the UPA, the UPA will confirm this during step 2 of the safekeeping reporting process. Once items are confirmed to be worthless by the Safekeeping Unit they need to be destroyed prior to delivery of items to the state and labeled as such on the final report submission. The Holder can determine the manner in which the items are destroyed (N.J.A.C. 17:18-1.6).

"Worthless" items include personal letters, food items (of any type), clothing (exclusive of furs), dentures, eyeglasses, personal prosthetic devices, inexpensive trinkets, ashtrays, paperweights, High School/College

textbooks, notebooks-with/without personal writing, personal snapshots/pictures, newspapers/magazines, personal documents, certificates, diplomas, receipts – gas/electric/telephone/rent, training manuals (any profession), paperback books, and paper clips/elastic bands (N.J.A.C. 17:18-1.4).

Sample Safekeeping Property Detail Descriptions

- Miscellaneous Papers
- Important papers – Ex. Wills, birth certificates, passports and SSN cards
- Jewelry – Ex. Silver tone Ring with Clear Stone, gold tone ring with blue stone, gold tone bracelet, silver tone earring with clear stone, silver tone ladies watch with leather band, etc.
- Savings Bond – Ex. 13 \$50 Series EE RNO John Smith
- Paper Stock Certificate – Ex. 2 Shares ABC Company RNO Jane Smith
- Silverware – Ex. Set of 6 Silver Salad Forks
- Collectible coins – Ex. 2 1893 Morgan Silver dollar pieces (note: all coins dated 1965 and prior are considered collectible due to the silver content), 1827 Half Eagle \$5 gold coin, etc.
- Cash \$50.26 – mark the property detail as “Deposited” and enter \$50.26 in Face Value field.

Outcome Designation of Safekeeping Property Types

- Miscellaneous Papers – **Destroyed**
- Jewelry, Collectable Cash/Coins, Foreign Currency, Baseball Cards, Ingots, etc. (tangible items of value) - **Inventoried or Auctioned**
- Cash (not collectable) – **Deposited, reported as cash**
- Guns/Ammunition/Illegal Drugs – Do not Inventory – Bank is required to call local Police Department for pick-up. Obtain copy of the Police Incident Report for file.
- Rx Drugs - Drop off at local Police Station in the Drop Box designated for Rx Drugs.

Delivery of Items to the State

The Holder must package everything belonging to an individual owner(s) in one sealed, single use security bag. The outside of the security bag should be labeled with the Holder Name, Report Year, Owner Name(s) and Safe Deposit Box Number. Please label the sealed security bag clearly and in a manner that will survive over time. If there is a need for multiple security bags you must label the bags accordingly (ex. “1 of 4”, 2 of 4”, etc.). If the items are an uncommon size or weight please contact the Safekeeping Unit for additional guidance. The UPA has no intention of opening these bags once received. If a successful claim is made on reported tangible items, the UPA will return the items to the owner in the same sealed, single use security bag that the items were delivered in.

Record Retention

A holder of unclaimed safekeeping contents is required to maintain records related to safekeeping items for a period of **five years** after the report is filed with the State. This includes any records related to the original postings, certifications by notary public, lien charges, details of a sale (if applicable), storage costs, advertising costs, the Unclaimed Property Report submitted to the State of New Jersey Unclaimed Property Administration, or other records related to the safekeeping contents.