



NOTICE OF CHANGE IN REPORTING PROCEDURES BUSINESS TO BUSINESS EXEMPTION

On September 14, 2000 changes to Chapter 169, of the Ohio Revised Code, the Ohio Unclaimed Funds Law will become effective. These changes affect the reporting of unclaimed accounts for the 2000 Annual Report of Unclaimed Funds due by November 1, 2000. The changes eliminate unclaimed funds resulting from any payment or credit due to a business association from a business association representing sums payable to suppliers or for services rendered and sums received by a business association from a business association for the sale of tangible goods or services performed. This Business to Business Exemption effectively eliminates wholesale trade from the jurisdiction of the Ohio Unclaimed Funds Law. In addition, the changes not only eliminate unclaimed funds resulting from business to business transactions that are due by November 1, 2000, but also retroactively exempts any unclaimed funds from such transactions that were reportable in prior years but are still in the possession of the business association.

The Business to Business Exemption includes, but is not limited to, any check, credit, memorandum, overpayment, unidentified remittance, nonrefunded overcharge, discount, refund and rebate that is due to a business association from a business association. The exemption will eliminate Vendor and Supplier Checks, Nature of Funds Code CK13, from being reportable as unclaimed funds. However, equity, dividend and interest payments from a business association to a business association could still become unclaimed as they do not result from wholesale trade. In addition, payments due from or received by a business association from a customer that is a private individual are still reportable unclaimed funds.

Please review and revise you unclaimed funds reporting procedures to allow for the above described statutory changes. If you have any additional questions please contact the Division at (614) 466-4433 and ask to speak to the Compliance Section.



CHAPTER 169 the Ohio Unclaimed Funds Law Business to Business Exemption Language HB 640 As Passed by the Senate Effective September 14, 2000

§ 169.01 DEFINITIONS.

Sec. 169.01. As used in this chapter, unless the context otherwise requires:

(A) "Financial organization" means any bank, trust company, savings bank, safe deposit company, mutual savings bank without mutual stock, savings and loan association, credit union, or investment company.

(B)(1) "Unclaimed funds" means any moneys, rights to moneys, or intangible property, described in section 169.02 of the Revised Code, when, as shown by the records of the

holder, the owner has not, within the times provided in section 169.02 of the Revised Code, done any of the following:

- (a) Increased, decreased, or adjusted the amount of such funds;
- (b) Assigned, paid premiums, or encumbered such funds;
- (c) Presented an appropriate record for the crediting of such funds or received payment of such funds by check, draft, or otherwise;
- (d) Corresponded with the holder concerning such funds;
- (e) Otherwise indicated an interest in or knowledge of such funds;
- (f) Transacted business with the holder.

(2) "Unclaimed funds" does not include money ANY OF THE FOLLOWING:

- (a) MONEY received or collected under section 9.39 of the Revised Code;
- (b) ANY PAYMENT OR CREDIT DUE TO A BUSINESS ASSOCIATION FROM A BUSINESS ASSOCIATION REPRESENTING SUMS PAYABLE TO SUPPLIERS, OR PAYMENT FOR SERVICES RENDERED, IN THE COURSE OF BUSINESS, INCLUDING, BUT NOT LIMITED TO, CHECKS OR MEMORANDA, OVERPAYMENTS, UNIDENTIFIED REMITTANCES, NONREFUNDED OVERCHARGES, DISCOUNTS, REFUNDS, AND REBATES;
- (c) ANY PAYMENT OR CREDIT RECEIVED BY A BUSINESS ASSOCIATION FROM A BUSINESS ASSOCIATION FOR TANGIBLE GOODS SOLD, OR SERVICES PERFORMED, IN THE COURSE OF BUSINESS, INCLUDING, BUT NOT LIMITED TO, CHECKS OR MEMORANDA, OVERPAYMENTS, UNIDENTIFIED REMITTANCES, NONREFUNDED OVERCHARGES, DISCOUNTS, REFUNDS, AND REBATES.

FOR PURPOSES OF DIVISIONS (B)(2)(b) AND (c) OF THIS SECTION, "BUSINESS ASSOCIATION" MEANS ANY CORPORATION, JOINT VENTURE, BUSINESS TRUST, LIMITED LIABILITY COMPANY, PARTNERSHIP, ASSOCIATION, OR OTHER BUSINESS ENTITY COMPOSED OF ONE OR MORE INDIVIDUALS, WHETHER OR NOT THE ENTITY IS FOR PROFIT.

Uncodified Retroactivity

Section 53(C). Sections 169.01 and 169.02 of the Revised Code, as amended by this act, apply to payments and credits that, on the effective date of this section, are in the possession, custody, or control of a business association.