

PROPERTY CODE

TITLE 6. UNCLAIMED PROPERTY

CHAPTER 72. ABANDONMENT OF PERSONAL PROPERTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 72.001. APPLICATION OF CHAPTER. (a) Tangible or intangible personal property is subject to this chapter if it is covered by Section 72.101 and:

(1) the last known address of the apparent owner, as shown on the records of the holder, is in this state;

(2) the records of the holder do not disclose the identity of the person entitled to the property, and it is established that the last known address of the person entitled to the property is in this state;

(3) the records of the holder do not disclose the last known address of the apparent owner, and it is established that:

(A) the last known address of the person entitled to the property is in this state; or

(B) the holder is a domiciliary or a government or governmental subdivision or agency of this state and has not previously paid or delivered the property to the state of the last known address of the apparent owner or other person entitled to the property;

(4) the last known address of the apparent owner, as shown on the records of the holder, is in a state that does not provide by law for the escheat or custodial taking of the property or is in a state in which the state's escheat or unclaimed property law is not applicable to the property, and the holder is a domiciliary or a government or governmental subdivision or agency of this state;

(5) the last known address of the apparent owner, as shown on the records of the holder, is in a foreign nation and the holder is a domiciliary or a government or governmental subdivision or agency of this state; or

(6) the transaction out of which the property arose occurred in this state and:

(A) the last known address of the apparent owner or other person entitled to the property is:

(i) unknown; or

(ii) in a state that does not provide by law for the escheat or custodial taking of the property or in a state in which the state's escheat or unclaimed property law is not applicable to the property; and

(B) the holder is a domiciliary of a state that does not provide by law for the escheat or custodial taking of the property or a state in which the state's escheat or unclaimed property law is not applicable to the property.

(a-1) Tangible or intangible personal property is not subject to this chapter if it is a worthless or non-freely transferable security.

(b) This chapter supplements other chapters in this title, and each chapter shall be followed to the extent applicable.

(c) This chapter applies to property held by life insurance companies with the exception of unclaimed proceeds to which Chapter 1109, Insurance Code, applies and that are held by those companies that are subject to Chapter 1109, Insurance Code.

(d) A holder of property presumed abandoned under this chapter is subject to the procedures of Chapter 74.

(e) In this chapter, a holder is a person, wherever organized or domiciled, who is:

(1) in possession of property that belongs to another;

(2) a trustee; or

(3) indebted to another on an obligation.

(f) In this chapter, a corporation shall be deemed to be a domiciliary of the state of its incorporation.

Acts 1983, 68th Leg., p. 3592, ch. 576, Sec. 1, eff. Jan. 1, 1984.

Amended by Acts 1985, 69th Leg., ch. 230, Sec. 7, eff. Sept. 1, 1985; Acts 1987, 70th Leg., ch. 426, Sec. 2, eff. Sept. 1, 1987;

Acts 1991, 72nd Leg., ch. 153, Sec. 5, eff. Sept. 1, 1991; Acts 2001, 77th Leg., ch. 1419, Sec. 30, eff. June 1, 2003.

Amended by:

Acts 2021, 87th Leg., R.S., Ch. 52 (H.B. 1514), Sec. 3, eff. May 18, 2021.

SUBCHAPTER B. PRESUMPTION OF ABANDONMENT

Sec. 72.101. PERSONAL PROPERTY PRESUMED ABANDONED.

(a) Except as provided by this section and Sections 72.1015, 72.1016, 72.1017, 72.102, and 72.104, personal property is presumed abandoned if, for longer than three years:

(1) the location of the owner of the property is unknown to the holder of the property; and

(2) according to the knowledge and records of the holder of the property, a claim to the property has not been asserted or an act of ownership of the property has not been exercised.

(b)(1) The three-year period leading to a presumption of abandonment of stock or another intangible ownership interest in a business association, the existence of which is evidenced by records available to the association, commences on the first date that either a sum payable as a result of the ownership interest is unclaimed by the owner or a communication to the owner is returned undelivered by the United States Postal Service.

(2) The running of the three-year period of abandonment ceases immediately on the exercise of an act of ownership interest or sum payable or a communication with the association as evidenced by a memorandum or other record on file with the association or its agents.

(3) At the time an ownership is presumed abandoned under this section, any sum then held for interest or owing to the owner as a result of the interest and not previously presumed abandoned is presumed abandoned.

(4) Any stock or other intangible ownership interest enrolled in a plan that provides for the automatic reinvestment of dividends, distributions, or other sums payable as a result of the ownership interest is subject to the presumption of abandonment as provided by this section.

(c) Property distributable in the course of a demutualization or related reorganization of an insurance company is presumed abandoned on the first anniversary of the date the

property becomes distributable if, at the time of the first distribution, the last known address of the owner according to the records of the holder of the property is known to be incorrect or the distribution or statements related to the distribution are returned by the post office as undeliverable and the owner has not:

(1) communicated in writing with the holder of the property or the holder's agent regarding the interest; or

(2) otherwise communicated with the holder regarding the interest as evidenced by a memorandum or other record on file with the holder or its agents.

(d) Property distributable in the course of a demutualization or related reorganization of an insurance company that is not subject to Subsection (c) is presumed abandoned as otherwise provided by this section.

(e) This section does not apply to money collected as child support that:

(1) is being held for disbursement by the state disbursement unit under Chapter 234, Family Code, or a local registry, as defined by Section 101.018, Family Code, pending identification and location of the person to whom the money is owed; or

(2) has been disbursed by the state disbursement unit under Chapter 234, Family Code, by electronic funds transfer into a child support debit card account established for an individual under Section 234.010, Family Code, but not activated by the individual.

Acts 1983, 68th Leg., p. 3593, ch. 576, Sec. 1, eff. Jan. 1, 1984. Amended by Acts 1985, 69th Leg., ch. 230, Sec. 9, eff. Sept. 1, 1985; Acts 1987, 70th Leg., ch. 426, Sec. 3, eff. Sept. 1, 1987; Acts 1991, 72nd Leg., ch. 153, Sec. 6, eff. Sept. 1, 1991; Acts 1993, 73rd Leg., ch. 36, Sec. 3.01, eff. Sept. 1, 1993; Acts 2003, 78th Leg., 3rd C.S., ch. 3, Sec. 2.01, 3.01, eff. Jan. 11, 2004.

Amended by:

Acts 2005, 79th Leg., Ch. 81 (S.B. 446), Sec. 2, eff. September 1, 2005.

Acts 2009, 81st Leg., R.S., Ch. 551 (S.B. 1777), Sec. 2, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 767 (S.B. 865), Sec. 34, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 685 (H.B. 257), Sec. 1, eff. September 1, 2011.

Acts 2015, 84th Leg., R.S., Ch. 606 (S.B. 569), Sec. 1, eff. September 1, 2015.

Acts 2019, 86th Leg., R.S., Ch. 897 (H.B. 3598), Sec. 1, eff. June 10, 2019.

Sec. 72.1015. UNCLAIMED WAGES. (a) In this section, "wages" has the meaning assigned by Section 61.001, Labor Code.

(b) An amount of unclaimed wages is presumed abandoned if, for longer than one year:

(1) the existence and location of the person to whom the wages are owed is unknown to the holder of the wages; and

(2) according to the knowledge and records of the holder of the wages, a claim to the wages has not been asserted or an act of ownership of the wages has not been exercised.

Added by Acts 2003, 78th Leg., 3rd C.S., ch. 3, Sec. 2.02, eff. Jan. 11, 2004.

Sec. 72.1016. STORED VALUE CARD. (a) This section applies to a stored value card, as defined by Section 604.001, Business & Commerce Code, other than a card:

(1) to which Chapter 604, Business & Commerce Code, does not apply by operation of Sections 604.002(1)(A) and (C) and 604.002(2)-(5) of that code; or

(2) that is linked to and draws its value solely from a deposit account subject to Chapter 73.

(b) If the existence and location of the owner of a stored value card is unknown to the holder of the property, the stored value card is presumed abandoned to the extent of its unredeemed and uncharged value on the earlier of:

(1) the card's expiration date;

(2) the third anniversary of the date the card was issued, if the card is not used after it is issued, or the date the card was last used or value was last added to the card; or

(3) the first anniversary of the date the card was issued, if the card is not used after it is issued, or the date the card was last used or value was last added to the card, if the card's value represents wages, as defined by Section 61.001, Labor Code.

(c) If the person who sells or issues a stored value card in this state does not obtain the name and address of the apparent owner of the card and maintain a record of the owner's name and address and the identification number of the card, the address of the apparent owner is considered to be the Austin, Texas, address of the comptroller.

(d) A person may charge a fee against a stored value card as provided by Chapter 604, Business & Commerce Code. A fee may not be charged against a stored value card after the card is presumed abandoned under this section.

(e) The comptroller shall transfer five percent of the money collected from cards presumed to be abandoned for use as grants under Subchapter M, Chapter 56, Education Code.

(f) This section does not create a cause of action against a person who issues or sells a stored value card.

Added by Acts 2005, 79th Leg., Ch. 81 (S.B. 446), Sec. 3, eff. September 1, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. 2278), Sec. 2.33, eff. April 1, 2009.

Sec. 72.1017. UTILITY DEPOSITS. (a) In this section:

(1) "Utility" has the meaning assigned by Section 183.001, Utilities Code.

(2) "Utility deposit" is a refundable money deposit a utility requires a user of the utility service to pay as a condition of initiating the service.

(b) Notwithstanding Section 73.102, a utility deposit is presumed abandoned on the latest of:

(1) the first anniversary of the date a refund check for the utility deposit was payable to the owner of the deposit;

(2) the first anniversary of the date the utility last received documented communication from the owner of the

utility deposit; or

(3) the first anniversary of the date the utility issued a refund check for the deposit payable to the owner of the deposit if, according to the knowledge and records of the utility or payor of the check, during that period, a claim to the check has not been asserted or an act of ownership by the payee has not been exercised.

(c) A utility deposit is not presumed abandoned for two years from the time the depositor provides documentation to the utility of being called to active military service in any branch of the United States armed forces during any part of the period described by Subsection (b).

Added by Acts 2011, 82nd Leg., R.S., Ch. 685 (H.B. 257), Sec. 2, eff. September 1, 2011.

Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 5.01, eff. September 28, 2011.

Sec. 72.102. TRAVELER'S CHECK AND MONEY ORDER. (a) A traveler's check or money order is not presumed to be abandoned under this chapter unless:

(1) the records of the issuer of the check or money order indicate that it was purchased in this state;

(2) the issuer's principal place of business is in this state and the issuer's records do not indicate the state in which the check or money order was purchased; or

(3) the issuer's principal place of business is in this state, the issuer's records indicate that the check or money order was purchased in another state, and the laws of that state do not provide for the escheat or custodial taking of the check or money order.

(b) A traveler's check to which Subsection (a) applies is presumed to be abandoned on the latest of:

(1) the 15th anniversary of the date on which the check was issued;

(2) the 15th anniversary of the date on which the issuer of the check last received from the owner of the check

communication concerning the check; or

(3) the 15th anniversary of the date of the last writing, on file with the issuer, that indicates the owner's interest in the check.

(c) A money order to which Subsection (a) applies is presumed to be abandoned on the latest of:

(1) the third anniversary of the date on which the money order was issued;

(2) the third anniversary of the date on which the issuer of the money order last received from the owner of the money order communication concerning the money order; or

(3) the third anniversary of the date of the last writing, on file with the issuer, that indicates the owner's interest in the money order.

Acts 1983, 68th Leg., p. 3593, ch. 576, Sec. 1, eff. Jan. 1, 1984. Amended by Acts 1985, 69th Leg., ch. 230, Sec. 10, eff. Sept. 1, 1985; Acts 1997, 75th Leg., ch. 1037, Sec. 8, eff. Sept. 1, 1997; Acts 2001, 77th Leg., ch. 179, Sec. 1, eff. June 1, 2004.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 685 (H.B. 257), Sec. 3, eff. September 1, 2011.

Sec. 72.1021. SHARES OF MUTUAL FUND; DESIGNATION OF REPRESENTATIVE FOR NOTICE. (a) The owner of shares of a mutual fund may designate the name and a mailing or e-mail address of a representative of the owner only for the purpose of receiving the notice required by Section 74.1011. The owner is not required to designate a representative under this subsection.

(a-1) A holder of shares of a mutual fund shall notify the owner of the shares when the owner makes the initial purchase of shares in the fund that the owner may designate a representative under Subsection (a).

(b) The comptroller shall prescribe a form that a holder of shares of a mutual fund may make available to an owner of the shares to designate a representative for notice under this section.

(c) A representative for notice designated under this section does not have any rights to the mutual fund shares and may

not access the shares.

(d) The running of the three-year period of abandonment under Section 72.101 ceases immediately if a representative designated under this section communicates to the holder that the representative knows:

(1) the owner's location; and

(2) that the owner exists and has not abandoned the shares of the mutual fund.

Added by Acts 2015, 84th Leg., R.S., Ch. 925 (H.B. 1454), Sec. 1, eff. September 1, 2017.

Amended by:

Acts 2017, 85th Leg., R.S., Ch. 170 (H.B. 2964), Sec. 1, eff. September 1, 2017.

Sec. 72.103. PRESERVATION OF PROPERTY. Notwithstanding any other provision of this title except a provision of this section or Section 72.1016 relating to a money order or a stored value card, a holder of abandoned property shall preserve the property and may not at any time, by any procedure, including a deduction for service, maintenance, or other charge, transfer or convert to the profits or assets of the holder or otherwise reduce the value of the property. For purposes of this section, value is determined as of the date of the last transaction or contact concerning the property, except that in the case of a money order, value is determined as of the date the property is presumed abandoned under Section 72.102(c). If a holder imposes service, maintenance, or other charges on a money order prior to the time of presumed abandonment, such charges may not exceed the amount of \$1 per month for each month the money order remains uncashed prior to the month in which the money order is presumed abandoned.

Acts 1983, 68th Leg., p. 3594, ch. 576, Sec. 1, eff. Jan. 1, 1984.

Amended by Acts 1985, 69th Leg., ch. 230, Sec. 11, eff. Sept. 1, 1985; Acts 1997, 75th Leg., ch. 1037, Sec. 9, eff. Sept. 1, 1997; Acts 2001, 77th Leg., ch. 179, Sec. 2, eff. June 1, 2002.

Amended by:

Acts 2005, 79th Leg., Ch. 81 (S.B. 446), Sec. 4, eff. September 1, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 685 (H.B. 257), Sec. 4, eff. September 1, 2011.

Sec. 72.104. TANGIBLE PERSONAL PROPERTY HELD BY COUNTY. Tangible personal property that is found on county land or in a county park, facility, or right-of-way is presumed abandoned if, for longer than 120 days:

(1) the personal property is held by the county;

(2) the existence and location of the owner of the personal property is unknown to the county; and

(3) according to the knowledge and records of the county, a claim to the personal property has not been asserted or an act of ownership of the personal property has not been exercised.

Added by Acts 2015, 84th Leg., R.S., Ch. 606 (S.B. 569), Sec. 2, eff. September 1, 2015.