

HOUSE BILL No. 5524

March 29, 2012, Introduced by Reps. Nesbitt, MacGregor, Jacobsen, Forlini, Poleski, Pscholka, Haveman, Haines, Tyler, Kowall, Crawford, Huuki, Farrington, O'Brien, Horn and Olson and referred to the Committee on Tax Policy.

A bill to amend 1995 PA 29, entitled
"Uniform unclaimed property act,"
by amending section 31 (MCL 567.251), as amended by 1997 PA 195.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 31. (1) The administrator may require a person who has
2 not filed a report under this act or a person who the administrator
3 believes has filed an inactive, incomplete, or false report, to
4 file a verified report in a form specified by the administrator.
5 The report shall state whether the person is holding any unclaimed
6 property reportable or deliverable under this act, describe
7 unclaimed property not previously reported or as to which the
8 administrator has made inquiry, and specifically identify and state
9 the amounts of property that may be in issue.

10 (2) The administrator, at reasonable times and upon reasonable

1 notice, may examine the records of a person to determine whether
2 the person has complied with this act. The administrator may
3 conduct the examination even if the person believes he or she is
4 not in possession of any property reportable or deliverable under
5 this act. The administrator may contract with any other person to
6 conduct the examination on behalf of the administrator. **IF THE**
7 **ADMINISTRATOR CONTRACTS WITH ANY OTHER PERSON TO CONDUCT AN AUDIT**
8 **UNDER THIS ACT, THE AUDIT SHALL NOT BE PERFORMED BY AN AUDITOR ON A**
9 **CONTINGENT FEE BASIS OR ANY OTHER SIMILAR METHOD THAT MAY IMPAIR AN**
10 **AUDITOR'S INDEPENDENCE OR THE PERCEPTION OF INDEPENDENCE BY THE**
11 **PUBLIC.**

12 (3) If a person is treated under section 13 as the holder of
13 the property only insofar as the interest of the business
14 association in the property is concerned, the administrator,
15 pursuant to subsection (2), may examine the records of the person
16 if the administrator has given the notice required by subsection
17 (2) to both the person and the business association at least 90
18 days before the examination.

19 (4) If an examination of the records of a person results in
20 the disclosure of property reportable and deliverable under this
21 act, the administrator may assess the cost of the examination
22 against the holder at the rate of \$50.00 a day for each examiner;
23 however, the charges shall not exceed the value of the property
24 found to be reportable and deliverable. The cost of examination
25 made pursuant to subsection (3) shall be imposed only against the
26 business association.

27 (5) If a holder fails after ~~the effective date of this act~~

1 **MARCH 28, 1996** to maintain the records required by section 32 and
2 the records of the holder available for the periods subject to this
3 act are insufficient to permit the preparation of a report, the
4 administrator may require the holder to report and pay an amount as
5 may reasonably be estimated from any available records.