

## Uniform Disposition of Unclaimed Property Act

The uniform disposition of unclaimed property act was first adopted by the state of California. Following California, many other states adopted the law. The law if followed by the states will help in protecting the interests of the property owners. It will serve to ease the holders from botheration, expenses and liabilities. It will help in foreclosing the liabilities of the holders. Such laws are held by the supreme court of the United States of America to be a constitutional practice of the power of the state. The law covers various types of intangible assets such as bank deposits, dividends, insurance benefits, trust fund distributions and debts, which have been collected or accepted by the people who are entitled.

**Characteristics of the Uniform Disposition of Unclaimed Property Act:** The uniform act has certain characteristics as follows:

- The act is custodial in its nature. The state act as the custodian of the properties, until they are reclaimed by their respective owners.
- The act is very comprehensive in its scope. It can be applied to any type of intangible asset.
- The act is a theoretical consumer protection law. It serves to safeguard the property belonging to the rightful owners and provides a mechanism of reuniting the holders with their property.
- It is a type of revenue generating measure for the different states following it.
- Every state in the District of Columbia has acted out a version of the act.

In general terms, the rights of the state to collect the unclaimed property are derived from the owner himself. The state becomes the successor to the rights of the property previously held by the owner.

**The Jurisdiction to Escheat:** After, a majority of states accepted the procedures of the law, it become obvious that a certain set of rules have to be formulated relating to the property. As a result of this conclusion, a landmark achievement was attained by the supreme court of the United States of America. This judgment formed the guidelines for reporting and deferring the unclaimed properties. The guidelines of the judgment were as follows:

- Primary rights to escheat the impalpable personal properties rest with the respective states of the owners.
- This will be done by referring to the last known address of the owner.
- If the address is not known the property is reportable to the state.