PB PositivelyBalanced

OUR BUSINESS IS PROTECTING YOUR BUSINESS

Review and Closeout Dormant Accounts

What is a Dormant Account?

A dormant account is an account that has had no activity for a long period of time, other than posting interest. A statute of limitations usually does not apply to dormant accounts however, the Underwriters expect all dormant accounts to be 3-way reconciled regardless of activity. If you find that your account has been dormant for a period of twelve (12) consecutive months, then you should be looking into the due diligence of trying to locate the payee so you can reissue the check and work on clearing up any files that have a balance whether it is positive or negative.

Once all efforts have been made in trying to clear up outstanding checks the funds that have not cleared need to be prepared to Escheat to your locate state department such as the Department of Revenue.

Remember the balance is NOT yours and shouldn't be swept into an operating or personal account. Underwriters do keep prior audit list in verifying status of accounts in making sure that accounts are shut down appropriately. If you have any funds that have been in the account for more than five (5) years then you should work on properly Escheating funds to your State Department of Revenue or another state entity.

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