

Connecticut's Unclaimed Property Law

By: Matthew H. Frame, Associate Legislative Attorney
September 4, 2025 | 2025-R-0127

Issue

This is a summary of Connecticut's unclaimed property law. It updates OLR Report [2019-R-0014](#).

Summary

Tangible or intangible property may escheat (revert) to the state if it is presumed abandoned. This property includes money, money orders, checks, drafts, deposits, interests, stock dividends, bonds, and insurance proceeds.

The person or entity that possesses the property (i.e. the "holder") must attempt to notify the rightful owner before presuming it abandoned. If these efforts fail, the holder must turn the abandoned property over to the state treasurer, who is responsible for any ownership or other types of claims to the property. The treasurer places most of the property received into a trust account where owners or their heirs can claim it.

The scope of this report does not include laws addressing things such as escheat proceedings, appeals, statute of limitations, and enforcement agreements with other states ([CGS §§ 3-71a to -74a](#)).

Abandoned Tangible Property

Tangible property is presumed abandoned after the expiration of a fixed period of inactivity, based on its type, when there has been no (1) interaction between the holder of the property and the person who either owns or is entitled to it and (2) attempt by the apparent owner to claim it. Table 1 below shows, by type of property and holder, the minimum inactive period after which property is

presumed abandoned. Property not explicitly covered or excluded under state law is generally presumed to be abandoned three years after it becomes due, payable, or distributable ([CGS § 3-64a](#)).

Table 1: Minimum Inactive Periods for Presuming Property Abandoned

Property Holder (Statute)	When Property is Presumed Abandoned
Banking or Financial Institutions (CGS § 3-57a)	<p>Three years of inactivity for demand or savings deposits made in this state; funds paid to purchase shares or interests in a financial organization or a deposit made with them; sums payable on checks certified in this state or money orders, drafts, or traveler's checks; and most matured time deposits made in this state</p> <p>Five years from the expiration of the lease or rental period for the contents of a safe deposit box or other safe repository</p> <p>Three years for individual retirement accounts and self-employed retirement plans, starting six months after the date on which federal tax rules require distribution of funds to the beneficiary to begin</p>
Virtual Currency (CGS § 3-57b)	<p>Virtual currency held by a business association or banking or financial organization that facilitates the purchase, storage, or transfer of virtual currency through a secure system is presumed abandoned (1) if the owner has not accessed the secure system within three years or (2) on the date the association or organization is dissolved (voluntarily or involuntarily) or liquidated</p>

Table 1 (continued)

Property Holder (Statute)	When Property is Presumed Abandoned
<p>Business Association (CGS § 3-59a)</p>	<p>Any unclaimed stock or other ownership certificate, or any dividend, profit, distribution, interest, payment on principal, mineral proceeds, or other sum held or owing by a business association for or to a shareholder, certificate holder, member, bondholder or other security holder, or a participating patron of a cooperative, who has not corresponded in writing concerning it within three years after the prescribed payment or delivery date</p> <p>Any sum payable on a traveler's check issued or sold in this state on which a business association is directly liable, which has been outstanding for more than 15 years from its issuance date, unless the owner has within 15 years corresponded in writing with the business association concerning it, or otherwise indicated an interest as evidenced by a memorandum on file with the business association</p> <p>Any sum payable on a money order issued or sold in this state on which a business association is directly liable, which has been outstanding for more than seven years from its issue date</p>
<p>Insurance company demutualization payments (CGS § 3-59a(d))</p>	<p>Any unclaimed property payable or distributable in the course of an insurance company's demutualization is presumed abandoned if the property is unclaimed and unpaid three years after the date the property became payable or distributable</p>
<p>Dissolution or liquidation of a corporation or unincorporated organization (CGS § 3-60a)</p>	<p>All property distributable in a voluntary or involuntary dissolution or liquidation of a corporation or an unincorporated business, banking, or financial organization is presumed abandoned if it is unclaimed by the owner on the final dissolution or liquidation date</p>

Table 1 (continued)

Property Holder (Statute)	When Property is Presumed Abandoned
Wages, other than those collected from minimum fair wage or overtime wage law violators, salary, or other compensation for personal services (CGS § 3-60b)	Presumed abandoned if it has remained unclaimed for more than one year after due, payable, or distributable
Utility deposits, refunds, and other sums owed (CGS § 3-60c)	Presumed abandoned if it has remained unclaimed for more than one year after due, payable, or distributable
Decedent's Estate (CGS § 3-63a)	The date the probate court orders the property distributed
Funeral service contracts (PA 25-81 , § 2)	Presumed abandoned unless the beneficiary or purchaser of property held under a funeral service contract has indicated their interest within one year of when it is considered payable or distributable which occurs on the earliest of the following: <ol style="list-style-type: none"> 1. when the property holder receives affirmative notice about the death of a beneficiary for which the holder maintains an escrow account, 2. the beneficiary's 110th birthday, or 3. 75 years after the funeral service contract's execution

Abandoned Intangible Property

Once intangible property (e.g., intellectual property) is presumed abandoned, it is subject to the state's custody as unclaimed property if the property resulted from a transaction in this state and the (1) last-known address of the apparent owner or person entitled to it is unknown or is in a state that does not have an applicable law on escheats or custodial taking and (2) holder is domiciled in a state that does not have an applicable law on escheats or custodial taking ([CGS § 3-66b\(6\)](#)).

Abandoned intangible property is also subject to the state's custody if the holder's records:

1. show a last-known address of the apparent owner that is in this state,
2. do not include the name of the person entitled to the property and the last-known address of the person is in this state, or
3. do not reflect the apparent owner's last-known address 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 state subdivision or agency 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 ([CGS § 3-66b\(1-3\)](#)).

Additionally, abandoned intangible property is subject to the state's custody if the apparent owner's last-known address is in a:

1. foreign nation and the holder is a domiciliary or a governmental subdivision or agency of this state or
2. state that (a) does not provide by law for the escheat or custodial taking of the property or (b) has a law but it does not apply to the property and the holder is a domiciliary or a governmental subdivision or agency of this state ([CGS § 3-66b\(4\)](#) & [\(5\)](#)).

Abandoned Property Holders' Duties

Notice to Owner

Before a presumption of abandonment takes effect, the property holder must notify the property owner that the owner must indicate his or her interest in the property or it will be transferred to the treasurer and subject to escheat to the state. The notice must be sent to the owner's last known email address if he or she authorized email notifications. Additionally, if the cumulative property of the owner is \$50 or more, the holder must also notify the owner by first-class mail at the owner's last known address if that address is sufficient to receive first-class U.S. mail. These notices must be sent between July 1 and September 30 of the year the property will be considered abandoned. (Property is presumed abandoned on December 31 of the calendar year in which the presumption takes effect.) By law, the holder must take reasonable steps to prevent abandonment from being presumed ([CGS § 3-65a\(a\)](#), as amended by [PA 25-81](#)).

Delivery or Report to Treasurer

Generally, a property holder must, by March 31 after the end of the calendar year in which the property is presumed abandoned, deliver it to the treasurer and prepare an unclaimed property report.

The holder must sell any securities, virtual currency, or tangible property in a safe deposit box presumed abandoned and turn the proceeds over to the treasurer ([CGS § 3-65a\(b\)](#), as amended by [PA 25-81](#)).

Anyone who fails to deliver or report abandoned property to the treasurer within the specified period must pay the treasurer 15% annual interest on the property or its value from the date the property should have been delivered or reported. The treasurer may waive the interest upon a showing of a good faith effort to comply ([CGS § 3-65b](#)).

Recordkeeping

Property holders must keep certain records for 10 years after filing a report with the treasurer (or after the last date a timely report should have been filed), unless the treasurer has established a shorter retention period. Specifically, holders must keep records of (1) any information required to be included in a report; (2) the date, place, and nature of the circumstances giving rise to the property right; and (3) any documentation concerning the items that the holder considered reporting, but ultimately chose not to, so that they treasurer can verify whether the holder complied with its reporting obligations ([CGS § 3-65a\(d\)](#), as amended by [PA 25-81](#), § 3).

Business Association Interests

Holders of abandoned ownership interests in a business association must deliver a duplicate certificate of interest, registered in the treasurer's name, if the certificate is customary evidence of the interest, as is the case for limited liability companies, for example. If the ownership interest is not customarily evidenced by a certificate, the holder must deliver any evidence of the interest the treasurer requires by regulation ([CGS § 3-59c](#)).

Third Party Contracts

Generally, a holder of property that is presumed abandoned may contract with a third party to store and sell the property and to pay the sale proceeds to the treasurer, excluding any charges that may be lawfully withheld. However, the third party must hold a surety bond or other form of insurance coverage concerning these activities. Any holder who contracts with a third party for this purpose or who transmits the property to a bonded or insured third party for these purposes is not responsible for any claims related to the sale or transmission of the property or proceeds to the treasurer. If the treasurer exempts the property from being remitted or sold, whether by regulations or guidelines, the property holder may dispose of it in any manner the holder deems appropriate and is not responsible for any claims related to the disposition of the property or any claims to the property itself.

A holder must transmit these proceeds to the treasurer within 30 days after reporting the property abandoned. Charges that may be withheld include costs of storage, appraisal, advertising, and sales commissions and lawful charges owed under the contract governing safe deposit box rental ([CGS § 3-65a\(i\)](#)).

Military Medals

In the event military medals are presumed abandoned, a banking or financial organization must transmit them to the Department of Veterans' Affairs (DVA) in accordance with procedures established by the treasurer. The treasurer and DVA commissioner must enter into a memorandum of understanding (MOU) concerning the handling of any such medal and DVA must hold the medal in its custody according to the MOU. The treasurer may make any information obtained, including any photograph or other visual depiction of a military medal (excluding Social Security numbers), available to the public to facilitate the identification of the original owner of the medal or it's owner's heirs or beneficiaries ([CGS § 3-65a\(j\)](#)).

Funeral Service Contracts

By March 1 of each year, a property holder must obtain a list from the funeral service establishment of all properties held by the holder as part of a contract that:

1. the establishment received affirmative notice about the death of a beneficiary,
2. the beneficiary's 110th birthday has occurred, or
3. was executed 75 years ago.

State law requires that funds received as part of a funeral service contract be deposited in an escrow account, and each party to the contract receive an annual statement of the amount credited to the account. If these statements are returned as undeliverable, the property holder must make reasonable efforts to determine an owner's current and proper mailing address in order to comply with the unclaimed property law's notice requirements ([PA 25-81](#), § 2, as amended by [PA 25-168](#), § 260).

Treasurer's Examination to Determine Compliance

The treasurer or his designee may examine property holders or their records or agents to determine compliance with the law, including by bringing a court action to enforce this right ([CGS § 3-65a\(g\)](#)). He must keep a permanent record of the reports he receives ([CGS § 3-65a\(d\)](#), as amended by [PA 25-81](#), § 3). Additionally, the treasurer may decline to accept any property that is valued at less

than the cost of giving public notice or holding a sale, or postpone taking possession until a sufficient sum accumulates ([CGS § 3-65a\(f\)](#)).

Prohibited Fees and Charges

With a few exceptions, a holder may not impose a dormancy, abandoned property, unclaimed property, escheat, inactivity, or similar charge or fee on the property subject to escheat, including gift certificates and general use prepaid cards. The exceptions are for demand or savings deposits, most matured time deposits made in this state, funds paid to purchase shares or interests in a financial organization or a deposit made with them, and property in a safe deposit box. However, holders cannot charge an escheat charge or fee on the property subject to the exception ([CGS § 3-65c](#)).

Recovery of Funds or Property

The treasurer must demand, or request the attorney general to initiate proceedings for, an adjudication when property escheats to the state and take appropriate action to recover it ([CGS § 3-66c](#)).

Property Held by Federal Courts and Agencies

When property held by federal courts or agencies located in this state has escheated, the state treasurer must take appropriate actions to recover it or ask the attorney general to initiate proceedings to do so. The treasurer must pay all costs incident to the collection and recovery of the funds and property that have not been sold from the Special Abandoned Property Fund (see below) and place the balance in the General Fund. The treasurer must return any monies or property to the federal government if a court order requires any officer, department or agency of the federal government to make a payment from the escheated funds ([CGS § 3-62c](#), et seq.).

The State's Responsibility to Hold the Property for Its Owner

When property is transferred to the state, the state assumes custody of it and property holders are generally released from liability regarding the property ([CGS § 3-67a](#)). Any person claiming an interest in it may file a certified claim stating the relevant facts. By law, the state treasurer has 90 days to consider the claim and respond in writing and must pay valid claims ([CGS § 3-70a](#)).

The treasurer may sell to the highest bidder all unclaimed property delivered to him, other than money, at a public sale at any location in the state he determines allows for the most favorable market. The treasurer must publish notice of the sale of all property, other than securities, at least two weeks before the sale in a newspaper of general circulation in the town where the property will

be sold. He may decline the highest bid if he considers it insufficient and reoffer the property at a later sale. The treasurer may also sell the property by private sale if the cost of a public sale will exceed the property's value ([CGS § 3-68a](#)).

Excluding proceeds that must be deposited in the Special Abandoned Property Fund (see below), the treasurer must deposit the unclaimed money, including the proceeds from the sale of property, in the General Fund. A portion of these funds must be credited to the Citizens' Election Fund (the state's public campaign financing program). All allowable claims, and any administration costs not covered by the Special Abandoned Property Fund, must be paid from the General Fund ([CGS § 3-69a](#)).

Return of Property

Additionally, the treasurer must automatically return property that is less than \$2,500 if he determines (1) the property is owned by one owner and (2) to his satisfaction, the owner's current address. He may also direct payments, under certain conditions, to one or more claimants for property that a deceased individual solely owned if the property is less than \$500 at the time of the claim (e.g., if unclaimed property emerges after the final distribution of property under a will) ([CGS § 3-70a](#)).

The treasurer and the Department of Revenue Services commissioner must also enter into an agreement for the commissioner to disclose tax returns and other relevant information to the treasurer to facilitate returning property and paying claims electronically ([CGS § 3-66d](#)).

Online Database and Notice

The treasurer must maintain a searchable list of abandoned property with an identifiable owner that has been reported or transferred to the treasurer. The database must contain (1) each apparent property owner's name and last-known address, (2) the property amount and description, (3) the property holder's name and address, and (4) any other information the treasurer requires.

The treasurer must generally notify, in a manner he deems appropriate, any apparent owner of property with a reported value of \$50 or more that was transferred or reported to him in the past calendar year (as long as the holder reported a last-known address, valid email, or valid phone number). Further, he must only notify the holder by first-class mail if the last-known address is sufficient for first-class delivery.

This notice must indicate that the owner has property to claim and how he or she may claim it. The treasurer does not need to provide this notice to anyone who will automatically be paid as outlined above ([CGS § 3-66a](#), as amended by [PA 25-81](#), § 5).

Property of Certain State Agencies

State law establishes an alternative process for handling unclaimed property whose sole owner is the secretary of the state, state comptroller, attorney general, state treasurer, or an executive branch department as defined in state law. For applicable property, the treasurer must submit a report to the Office of Policy and Management (OPM) identifying the property's value and reported owner. Unless OPM directs otherwise, the property must escheat to the state three months after the report's submission. The treasurer must then reclassify the property as state property instead of as unclaimed ([PA 25-81](#), § 4).

Donation of Unclaimed Property

A new law authorizes the treasurer to establish a program permitting a property owner to donate all of his or her unclaimed property to specified charitable causes ([PA 25-81](#), § 4). If the owner chooses to donate his or her claim, the choice is irrevocable, and the donation is considered full payment of the claim. Under this new law, the treasurer must create the form for electing to donate and must select one of eight specified state accounts to receive the donation, such as the organ transplant account ([CGS § 17b-288](#)) or the Military Relief Fund ([CGS § 27-100a](#)).

Special Abandoned Property Fund

The law authorized the State Bond Commission, by June 30, 2005, to issue up to \$60 million in special obligation abandoned property fund bonds, plus the costs of financing and issuing the bonds. The Special Abandoned Property Fund is first used to repay these bonds, related debt-service requirements, and cover the fund's financing costs (i.e. any costs, fees, or expenses in administering the bonds). Next it is used to cover costs related to the collection and recovery of unclaimed property. Any remainder is deposited into the General Fund (see above). Any investment earnings become part of the fund assets, and any fund balance remaining at the end of the fiscal year is carried forward to the next year.

The treasurer must deposit all receipts from abandoned property in the fund until the bonds are paid off.

The law specifies what the abandoned property bond proceedings and covenants may contain; establishes liens and other security; and applies standard state bond financing, issuing, refunding, investment, and other requirements to them ([CGS § 3-62h](#)).

MHF:ms