

2001 Jr2 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB1)

Received: **03/11/2002**

Received By: **rmarchan**

Wanted: **Soon**

Identical to LRB:

For: **Legislative Fiscal Bureau**

By/Representing: **Rhodes**

This file may be shown to any legislator: **NO**

Drafter: **rmarchan**

May Contact:

Addl. Drafters:

Subject: **Fin. Inst. - miscellaneous**

Extra Copies:

Submit via email: **NO**

Pre Topic:

LFB:.....Rhodes -

Topic:

Gift certificates under the unclaimed property law

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	rmarchan 03/12/2002	chanaman 03/12/2002		_____			
/1			rschluet 03/12/2002	_____	lrb_docadmin 03/12/2002		

FE Sent For:

<END>

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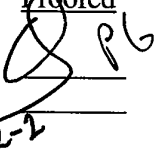
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Gift certificates under the unclaimed property law

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1?	rmarchan	cm4 1 3/12		 pb			

FE Sent For:

3-12-2

<END>

Budget Amendments 2002

[Redacted]

Vrakas

[Redacted]

This current statute states that gift certificates that have not been redeemed within five years of issuance should be turned over to the Treasurers office as unclaimed property. This is an unenforced section of our statutes that, if enforced, creates an administrative hassle and is financially burdensome for a business that offers gift certificates. Businesses are required to keep track of the sale of all gift certificates and whether or not gift certificates are claimed (used by the consumer). If after five years certificates have not been used, the business then turns over the paperwork and the funds to the unclaimed property office in the Treasurers office. These funds would then be held in the unclaimed property account forever or until someone with proof of purchase or ownership came forward to claim funds for an unused gift certificate.

I want to strike language related to gift certificates from this statute as I feel that the business has every intent to provide a good or service that was purchased. It is up to the holder of the gift certificate as to whether or not they choose to use that gift certificate. The money has been paid to the business and whether or not the receiver of that gift certificate chooses to use it or not is not up to the business. Therefore businesses should not have to report unclaimed gift certificates to the Treasurers office.

[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]

Bonnie
State Treasurer

[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]

[Redacted]

Strike any and all language relating to gift certificates in Chapter 177, the Uniform Unclaimed Property Act statute, specifically SS 177.14 "Gift certificates and credit memos" and SS 177.01(10)(a)2 the definition of intangible property; and any and all other relevant language in the State Statutes regarding gift certificates being reported as unclaimed property. This change only affects gift certificates. This change should not affect the present language on credit memos.

[Redacted]

Unknown

[Redacted]

16

177.14 Gift certificates and credit memos.

177.01(10)(a)2.

2. Credit balances, customer overpayments, gift certificates, security deposits, refunds, credit memos, unpaid wages, unused airline tickets and unidentified remittances.

177.14

177.14 Gift certificates and credit memos.

177.14(1)

(1) A gift certificate or a credit memo issued in the ordinary course of the issuer's business that remains unclaimed by the owner for more than 5 years after becoming payable or distributable is presumed abandoned.

177.14(2)

(2) In the case of a gift certificate, the amount presumed abandoned is the price paid by the purchaser of the gift certificate. In the case of a credit memo, the amount presumed abandoned is the amount credited to the recipient of the credit memo.

2001

Date (time) needed See W

LRB b 2389, 1

**ARC CAUCUS BUDGET AMENDMENT
[ONLY FOR CAUCUS]**

RCM crh

RMWC
CRH

See form **AMENDMENTS — COMPONENTS & ITEMS.**

**January 2002 SPECIAL SESSION CAUCUS AMENDMENT
TO ASSEMBLY SUBSTITUTE AMENDMENT 1
TO 2001 ASSEMBLY BILL 1**

>>FOR CAUCUS SUPERAMENDMENT — NOT FOR INTRODUCTION<<

At the locations indicated, amend the substitute amendment as follows:

#. Page 177, line 2....: ^{that} after line 2 insert:

INSERT A

#. Page 364, line 7....: ^{that} after line 7 insert:

INSERT B

#. Page, line

#. Page, line

#. Page, line

#. Page, line

CRH

2001-2002 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb2389/lins
RJM:.....

INSERT A

343m

plan comma

"SECTION 177.01 (10) (a) 2. of the statutes is amended to read:

177.01 (10) (a) 2. Credit balances, customer overpayments, ~~gift certificates,~~
security deposits, refunds, credit memos, unpaid wages, unused airline tickets and
unidentified remittances.

343g

History: 1983 a. 408; 1991 a. 221; 1993 a. 112; 1999 a. 9.

SECTION 177.14 ~~(1) and (2)~~ of the statutes ^{is} amended to read:

fix part

177.14 ~~(1)~~ Gift certificates and credit Credit memos. (1) A gift certificate
~~or a credit memo~~ issued in the ordinary course of the issuer's business that remains
unclaimed by the owner for more than 5 years after becoming payable or
distributable is presumed abandoned.

History: 1983 a. 408.

(2) ~~In the case of a gift certificate, the amount presumed abandoned is the price
paid by the purchaser of the gift certificate. In the case of a credit memo, the~~ The
amount presumed abandoned under sub. (1) is the amount credited to the recipient
of the credit memo."

History: 1983 a. 408.

INSERT B

K

"(1) GRANDFATHER PROVISION; UNCLAIMED GIFT CERTIFICATES. The treatment of
sections 177.01 (10) (a) 2. and 177.14 ~~(1) and (2)~~ of the statutes does not apply to any
property paid or delivered to the state treasurer under section 177.17 (4) (a) 2. of the
statutes or ~~s.~~ 177.19 (1), 1999 stats., before the effective date of this subsection."

nonstats

Section

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBb2389/1dn

RJM:.....

cr #

date

Terry Rhodes:

I have included a nonstatutory provision to ensure that any amounts the state treasurer has received under current law for unclaimed gift certificates are not subject to claims by the businesses that delivered the amounts to the state treasurer. Please let me know if you have any questions or desire any changes to the amendment.

Robert J. Marchant
Legislative Attorney
Phone: (608) 261-4454
E-mail: robert.marchant@legis.state.wi.us

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBb2389/1dn
RJM:cmh:rs

March 12, 2002

Terry Rhodes:

I have included a nonstatutory provision to ensure that any amounts the state treasurer has received under current law for unclaimed gift certificates are not subject to claims by the businesses that delivered the amounts to the state treasurer. Please let me know if you have any questions or desire any changes to the amendment.

Robert J. Marchant
Legislative Attorney
Phone: (608) 261-4454
E-mail: robert.marchant@legis.state.wi.us



State of Wisconsin
2001 - 2002 LEGISLATURE
January 2002 Special Session

LRBb2389/1
RJM:cmh:rs

LFB:.....Rhodes – Gift certificates under the unclaimed property law
FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION
ASSEMBLY AMENDMENT,
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO ASSEMBLY BILL 1

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 177, line 2: after that line insert:

3 **“SECTION 343m.** 177.01 (10) (a) 2. of the statutes is amended to read:

4 177.01 (10) (a) 2. Credit balances, customer overpayments, ~~gift certificates,~~
5 security deposits, refunds, credit memos, unpaid wages, unused airline tickets and
6 unidentified remittances.

7 **SECTION 343q.** 177.14 of the statutes is amended to read:

8 **177.14 ~~Gift certificates and credit~~ Credit memos.** (1) A ~~gift certificate or~~
9 a credit memo issued in the ordinary course of the issuer’s business that remains

1 unclaimed by the owner for more than 5 years after becoming payable or
2 distributable is presumed abandoned.

3 ~~(2) In the case of a gift certificate, the amount presumed abandoned is the price~~
4 ~~paid by the purchaser of the gift certificate. In the case of a credit memo, the The~~
5 ~~amount presumed abandoned under sub. (1) is the amount credited to the recipient~~
6 ~~of the credit memo.”~~

7 **2.** Page 364, line 7: after that line insert:

8 “(1k) GRANDFATHER PROVISION; UNCLAIMED GIFT CERTIFICATES. The treatment of
9 sections 177.01 (10) (a) 2. and 177.14 of the statutes does not apply to any property
10 paid or delivered to the state treasurer under section 177.17 (4) (a) 2. of the statutes
11 or section 177.19 (1), 1999 stats., before the effective date of this subsection.”

12 (END)