

Unclaimed Property:

Illinois: New Law Addresses Reporting of Abandoned Virtual Currency When it Cannot be Liquidated

S.B. 3343, signed by gov. 8/9/24. Modifying unclaimed property legislation enacted in 2023 mandating that any reported abandoned property in the form of defined “virtual currency” be liquidated by the holder within 30 days prior to filing their report, new law provides that if such a holder cannot liquidate virtual currency and cannot otherwise cause virtual currency to be liquidated, the holder must “promptly notify the administrator in writing and explain the reasons why the virtual currency cannot be liquidated.” Under the new law, the administrator “in his or her absolute and sole discretion” then may direct the holder to either:

URL:
<https://www.ilga.gov/legislation/BillStatus.asp?DocNum=3343&GAID=17&DocTypeID=SB&LegID=152811&SessionID=112>

- Transfer the virtual currency that cannot be liquidated to a custodian selected by the administrator, or
- Continue to hold the virtual currency until the administrator or the holder determines that the virtual currency can be liquidated or there is an indication of apparent owner interest under state law.

Note that the Illinois State Treasurer also has proposed administrative rule changes addressing the reporting of abandoned virtual currency [see *State Tax Matters*, Issue 2024-29, for more details on these proposed rule changes]. Please contact us with any questions.

URL: https://dhub.deloitte.com/Newsletters/Tax/2024/STM/240719_16.html

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