## Department of Planning and Budget 2025 General Assembly Session State Fiscal Impact Statement

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**Bill Number:** HB2717 **Patron:** Walker **Bill Title:** Unclaimed property; application to delinquent taxes.

**Bill Summary:** Directs the administrator of unclaimed property to transmit information to the Department of Taxation regarding the value of the property and the identity of the taxpayer. The bill also directs the Department of Taxation to subtract the value of any unclaimed cash property, as defined in the bill, from the amount of any state taxes owed and specifies that the unclaimed cash property shall be paid to the Department of Taxation.

Budget Amendment Necessary: No Items Impacted: N/A

**Explanation:** No budget amendment is necessary.

**Fiscal Summary:** The fiscal impact of this legislation is indeterminate.

**Fiscal Analysis:** The Department of Taxation (Tax) estimates no additional administrative costs. The proposed legislation could potentially increase general fund revenue beginning in FY 2026 and each year thereafter. However, the exact amount of this revenue increase cannot be estimated since Tax does not have sufficient information regarding which delinquent taxpayers may have unclaimed property in the form of cash.

The Department of Treasury (Treasury) estimates that the legislation would incur additional administrative costs, including staff time and third-party vendor expenses. However, the administrative costs are uncertain. Treasury indicates that both Tax and Treasury will need to revise their current Memorandum of Understanding (MoU) related to data sharing and third-party vendors. Depending on the volume of unclaimed cash property claims, associated with valid tax identification numbers and verified as belonging to delinquent Virginia taxpayers, the legislation could potentially reduce the amount transferred to the Literary Fund by the Treasury.

Other: None.