Cannabis and Controlled Substances

Legislation passed in 1983 authorized the Arizona Department of Revenue to regulate licensing, tax collection and issuing of tax stamps for cannabis and controlled substances. Effective July 21, 1997, the legislature repealed this tax. However, the Department is empowered to collect the tax on open pre-repeal cases. The 1990 legislation provided that any revenue resulting from the tax would be deposited as 5% to the state general fund and the remainder to be distributed in equal shares to the applicable police agency that conducted the seizure and the office of the county attorney prosecuting the case. The total collected from these pre-repeal cases during 1999-2000 was $2,300. The Attorney General fund received $2,185 and the remaining $115 was deposited into the state general fund

Unclaimed Property

Responsibilities of the Unclaimed Property Program include the collection, safekeeping, and disposition of unclaimed property, escheated estates, and unclaimed shares and dividends of Arizona corporations.

Unclaimed property staff establishes and maintains records of funds and other personal property that are received from banking or financial organizations, insurance corporations, utilities, business associations, fiduciaries, state courts, and agencies which is presumed to be abandoned. The largest percentage of unclaimed property is comprised of:

- Bank or credit union accounts with no activity for five years.
- Utility deposits not claimed in two years.
- Contents of safe deposit boxes on which rent has not been paid for one year.
- Traveler's checks not cashed in 15 years.
- Money orders not cashed in seven years.
- Cashier checks not cashed in five years.

Under a law that took effect July 1, 1990, up to $1 million in unclaimed utility deposits is used for a utility assistance fund to help the low-income and elderly make utility deposits or repairs. Personal property from safe deposit boxes is sold at a public auction, and the cash is credited to the owner's account. Unclaimed property may be recovered by owners at any time with proper documentation. There is no statute of limitations on claims.

Escheated Estates/Arizona Shares & Dividends

The unclaimed property staff members also establish and maintain records of escheated estates and unclaimed shares and dividends from Arizona corporations. When a person dies without leaving a will and has no known heirs, or if a person dies and a known heir cannot be located, his or her property reverts to the state as the original and ultimate proprietor after seven years. (Refer to Table 44.)

Funds received from escheated estates and from unclaimed shares and dividends are deposited into the permanent school fund. (Refer to Table 44.)

TABLE 44
COLLECTIONS AND DISTRIBUTION OF UNCLAIMED PROPERTY
FY96 THROUGH FY00

SOURCE	*1995-96*	*1996-97*	*1997-98*	*1998-99*	*1999-00*	*PERCENT OF COLLECTIONS IN 1999-00*
UNCLAIMED PROPERTY	$25,234,092 (1)	$18,906,608	$20,770,144 ##	$21,315,542	$31,415,063	
Refunds	(7,507,878) (2)	(9,103,438)	(6,609,804)	(8,135,383)	(9,881,814)	
Expenses	(788,561)	(976,989)	(983,832)	(1,020,282)	(1,110,490)	
Housing Fund	(6,024,116)	(3,655,132)	(7,380,832) ##	(6,791,802)	(11,421,658)	
Utility Assistance Fund	(514,454)	(604,936)	(711,976)	(818,382)	(639,104)	
Racing Fund	-----	-----	(2,681,159) ##	(2,465,180)	(4,153,330)	
NET	***$10,399,083***	***$4,566,113***	***$2,402,541***	***$2,084,512***	***$4,208,667***	***99.7%***
ESCHEATED ESTATES	419,266	365,584	109,023	309,305	201,612	
Refunds	(112,664)	(22,893)	(69,124)	(92,000)	(188,587)	
NET	***$306,602***	***$342,691***	***$39,899***	***$217,304***	***$13,026***	***0.3%***
UNCLAIMED ARIZONA SHARES AND DIVIDENDS	***$55,415*** (3)	***$0***	***$15,312*** ##	***$0***	***$0***	***0.0%***
TOTAL NET REVENUE	***$10,761,100***	***$4,908,804***	***$2,457,752***	***$2,301,816***	***$4,221,693***	***100.0%***

DISTRIBUTION
1999-00

NET TO PERMANENT SCHOOL FUND (6)	$13,026
NET TO GENERAL FUN	$4,081,173
RETAINED IN UNCLAIMED PROPERTY FUND (7)	$127,494
TOTAL DISTRIBUTION	***$4,221,693***

(1) Includes the proceeds of the sale of abandoned stock and mutual funds in the amount of $6,168,814.
(2) Increase due to automation enhancement.
(3) Proceeds from stock sales that were deposited in the Permanent School Fund per Article XI of the Arizona Constitution.
(4) Includes the proceeds of the sale of abandoned stock in the amount of $637,077.
(5) Increase in the Housing Fund transfer and the additional Racing Fund transfer are the result of new legislation.
(6) This amount is to be deposited to the Permanent State School Fund by the end of FY01. Distribution of $217,304 from FY99 was made in FY00.
(7) This amount was held over to cover outstanding claims for returns.
Figures may not add to total due to rounding.