



# This Week in State Tax (TWIST)

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## Multistate: Iowa and Washington address UP treatment of “illicit property”

Unclaimed property administrators in Iowa and Washington have issued guidance clarifying additional reporting requirements for suspected fraudulent unclaimed property, following release of the Delaware State Escheator policy on reporting “[Illicit Property](#)” recently covered in [TWIST on August 25, 2025](#). In brief, the Delaware State Escheator guidelines indicate that if a holder has identified property as “illicit,” the holder should file a separate “Illicit Property” unclaimed property report.

As in Delaware, both Iowa and Washington are instructing holders of abandoned or unclaimed property, when the holder knows or suspects the property to be fraudulent, to report the property on a second annual unclaimed property report, but only after the property has met the standard dormancy period. Both states direct holders to email the second report to their respective departments and include the name and FEIN of the holder, along with the amount of suspected illicit property. Washington further specifies that the second report should be labeled as “potentially fraudulent” in the property description. If the rightful owner is known, all identifiable information should be included; if unknown, the property should be reported under an “unknown owner.” Please contact [Will King](#), [Marion Acord](#), [Ryan Hagerty](#), [Keela Ross](#), [Karen Anderson](#), or [Quin Moore](#) for more information on Iowa and Washington unclaimed property reporting guidelines.

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