**Section 760.640 Crediting Income or Gain to Owner's Account**

a) *If property other than money is delivered to the administrator, the owner is entitled to receive from the administrator income or gain realized or accrued on the property before the property is sold.* [765 ILCS 1026/15-607(a)] (See Canel v. Topinka, 212 Ill. 2d 311, 818 N.E.2d 311 (2004).)

b) *Before August 22, 2017, interest on money is not payable to an owner for periods where the property is in the possession of the administrator.* [765 ILCS 1026/15-607(b)] August 22, 2017 is the earliest start date for interest under this Section. The date is set by the Act, but comes from the date of a Seventh Circuit opinion requiring the State to begin paying interest to owners. (See Kolton v. Frerichs, 869 F.3d 532 (7th Cir. 2017).)

c) *Beginning on August 22, 2017, the administrator shall pay interest to the owner of property in the form of money at the greater of:*

1) *the percentage increase, if any, in the Consumer Price Index for All Urban Consumers for all items published by the United States Department of Labor (CPI-U); or*

2) *the actual rate of return the State Treasurer earned on the Unclaimed Property Trust Fund.*

d) *Interest begins to accrue when property in the form of money is delivered to the administrator or when the administrator converts property to money pursuant to Article 7* of the Act *and ends on the earlier of the expiration of 10 years after the property begins to accrue interest or the date on which payment is made to the owner.* [765 ILCS 1026/15-607(c)]

e) As provided in the settlement agreement entered in the case of Kolton v. Frerichs, 869 F.3d 532 (7th Cir. 2017), the administrator will not pay interest when transferring property to another state's unclaimed property administrator when using an interstate exchange process pursuant to Section 15-901 of the Act. The administrator will not pay interest when reimbursing a holder pursuant to Section 15-605 of the Act as the holder is not the owner of the property entitled to just compensation under Section 15-607 of the Act or the settlement agreement entered in the case of Kolton v. Frerichs, 869 F.3d 532 (7th Cir. 2017).

f) When calculating interest for the month in which the claim is to be paid, the most recent rate of return earned by the Unclaimed Property Trust Fund and CPI-U data available at the time the claim is approved will be used.

EXAMPLE: A holder reported two pension properties to the Treasurer on June 30, 2018. On December 11, 2020, the owner was reunited with the properties totaling $1,210.69. Although August 22, 2017 is one of the possible start dates used to calculate the interest payment, June 30, 2018 is used because pursuant to Section 15-607(c) of the Act, the later date prevails. As such, the interest payment is calculated from June 30, 2018 to December 10, 2020. The owner is entitled to interest in the amount of $50.97 from which a $5 administrative fee is deducted from the interest amount for each property. At the time of this claim’s approval, the most recent CPI-U interest rate is used because it was the higher amount than the rate of return earned by the Treasurer in the Unclaimed Property Trust Fund.

g) *When paying interest to an owner, the administrator shall charge a one-time administrative fee of $5, deductible only from interest.* [765 ILCS 1026/15-607(d)]

(Source: Amended at 48 Ill. Reg. 14162, effective September 10, 2024)