

Every Business and Municipality Must Report and Pay Over Property or Money Held for Others to the State of Michigan



Gerald C. Davis

The Michigan Uniformed Unclaimed Property Act, Public Act 29 of 1995, as amended, sometimes known generically as the Law of Escheats, requires every business or municipality that holds property, including money, belonging to someone else or held in trust for someone else and that is deemed abandoned, to be immediately forwarded to the State of Michigan. Because of severe revenue shortfall, Michigan, like all other states,

is vigorously enforcing its right to abandoned property held by businesses or municipalities where the true owner cannot be located.

Most businesses and municipalities have unclaimed property resulting from normal operations. For example, a municipality or business may have un-cashed paychecks from employees, subcontractors or independent contractors.

Any asset (tangible or intangible) belonging to a third party that remains unclaimed for a specific period of time is considered unclaimed property. Un-cashed payroll checks must be submitted to the Michigan Department of Treasury after one year, unless there is activity in that account or relative to the payroll check. Most other property types, such as vendor



checks and accounts receivable credit balances, must be submitted to the state after three years. The date for reporting unclaimed property to the Michigan Department of Treasury is July 1st of every year.

A 25% penalty may be levied for those failing to comply, in addition to interest charges. Those voluntarily reporting the preceding four years are exempt from penalty, but presumably interest will be charged, under the theory that the taxpayer has had the benefit of the money or property without having to finance by alternative source.

While compliance is relatively simple, the entity holding unclaimed property must file using forms, which can be found at:

www.michigan.gov/unclaimedproperty
(517) 636-6940

Gerald C. Davis

Gerald C. Davis is a partner in our Livonia office where he concentrates his practice on Transactional Law, Business Law, Commercial Law, Securities Law, Litigation and Administrative Law. He can be reached by calling (734) 261-2400 or via e-mail at gDavis@cmda-law.com.

in this issue

Every Business and Municipality Must Report	1	Community College Corner	3
Family Law Attorney Joins CMDA	2	Attorney Profile	3
CMDA Happenings	2	Office Locations	4

Family Law Attorney Joins Firm



Carla G. Testani

Please join us in welcoming Carla G. Testani to the Firm. She has joined the CMDA family to head our Family Law Group in Livonia. Whether acting as an advocate for her clients or a neutral mediator, Carla focuses her practice on matrimonial law, including divorce, child custody, child support, spousal sup-

port, paternity, adoption and nuptial agreements. For over 13 years, she has tried to minimize the economic and emotional damage to her clients while helping them face their most difficult family situations.

Should you or someone you know need an experienced, compassionate and knowledgeable family law attorney, Carla can be reached by calling (734) 261-2400 or via e-mail at ctestani@cmda-law.com.

CMDA Happenings

Attorney Receives No Cause Verdict



T. Joseph Seward

T. Joseph Seward, a partner from our Livonia office, recently received a no cause verdict on behalf of his clients. In this case, he defended three corrections officers from a local county jail. The Plaintiff filed suit regarding three separate incidents that took place at the jail in 2004 and 2005. When the Plaintiff submitted a grievance in 2007, he claimed the Defendant Officers used excessive force during these

three separate incidents. Mr. Seward was able to show the jury that the Plaintiff had a pattern of instigating altercations, and then turning around and making himself the victim. Additionally, he was able to effectively demonstrate to the jury how the actions of the Defendant Officers were necessary and appropriate.

As many of you may already know, Mr. Seward is extremely successful at handling police excessive cases for his clients. Of the past 58 cases he has tried, he has only lost one case. This statistic is both extraordinary and incredibly rare. Congratulations to Mr. Seward on another successful trial.

Attorney Receives Opinion from Court of Appeals

Karen Daley, an attorney from our Livonia office, recently received an Opinion from the Court of Appeals affirming the dismissal of claims against our client, a police officer. The complaint alleged a claim for federal malicious prosecution based upon false statements made by the officer, as well as state law claims of false arrest/imprisonment and intentional infliction of emotional distress. The Court of Appeals con-

cluded that there was no evidence that the Officer's statements were made deliberately or recklessly, and also agreed with Ms. Daley's argument that there would have been probable cause to arrest the Plaintiff even without the Officer's allegedly false statements. As a result, the Court concluded that the Plaintiff's claims were properly dismissed.



Karen M. Daley

Attorney Discuss NFL Lockout



Jim R. Acho

Jim Acho, an attorney from our Livonia office, recently wrote a timely and interesting article entitled, "Will There be a Football Season in 2011?" The article, which can still be viewed on our website at www.cmda-law.com, discusses the NFL lockout issue. His article received attention from local and national sports media. Mr. Acho appeared on The Frank Beckmann Show on WJR 760 a.m. and a number of other radio talk shows discussing the NFL lockout issue.

Attorney Presents Seminar on Business Legal Issues

Patrick Sturdy, an attorney from our Livonia office, recently taught a Seminar entitled "Fundamentals of Business Legal Issues" offered in connection with Schoolcraft College's Business Development Center.

Mr. Sturdy covered a variety of legal topics, and prospective business owners gained plenty of information that will help protect them from unnecessary legal challenges.

COMMUNITY COLLEGE CORNER

Parental Rights Under FERPA



Patrick R. Sturdy

The Family Educational Rights and Privacy Act, commonly referred to as FERPA, gives parents certain limited rights to obtaining their children's educational records. Parents lose the right to obtain these records when either of two conditions are met: First, if the child is over 18 the parent does not have the right to obtain the educational records; Second, regardless of age, if the student is attending post secondary

education, i.e. beyond high school, the parent does not have the right to obtain their child's educational records.

While parents' right to obtain the records no longer exists under FERPA once one of either of these two conditions is met, a post secondary institution may disclose the student's education records to the parents of a dependent student. However, before any disclosure is made, sufficient steps should be taken to ensure compliance with the college and/or universities adopted FERPA policy.

If you have any questions about what you have read or want additional information, Patrick can be reaching by calling (734) 261-2400 or via e-mail at psturdy@cmda-law.com.

Patrick R. Sturdy

Attorney Profile: Christopher G. Schultz



Christopher G. Schultz

In this month's profile, Christopher G. Schultz is being profiled. Chris joined our Firm in 1993 and is a partner in our Livonia office.

Chris is a reliable, approachable and thorough attorney. When meeting with clients, he takes the time to understand their specific needs so he can best assist them. His secretary, Linda Valantas,

explains, "Chris' clients really like working with him. He is easy to talk to, open-minded and knows how to get results."

Chris does a substantial amount of work representing and counseling manufacturers, financial service institutions and small and large businesses in the retail and service sectors in many areas, including entity selection, start-up issues, shareholder and owner relationships, employment matters, mergers, acquisitions, real estate and business succession

planning.

Additionally, Chris assists a great number of clients with estate planning and elderly planning, including wills, trusts, charitable giving, estate administration, irrevocable trusts, gifting and special needs trusts.

He frequently works with charitable organizations, assisting with their formation and operation and sits on several non-profit boards.

Chris received a Juris Doctor degree from the University of Detroit Mercy Law School and a Bachelor's degree from Wayne State University. Chris is also a Certified Public Accountant. He is a member of the American Bar Association, Michigan Bar Association, Michigan Association of Certified Public Accountants and American Institute of Certified Public Accountants.

Chris and his wife Lynn have two children Michael and Daniel. Chris is very involved in his community and has coached summer baseball teams since 1984. You can contact Chris at (734) 261-2400 or cschultz@cmda-law.com.

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Our Vision

To meld our legal expertise, professional support staff, technical resources and variety of locations to deliver first rate legal services at a fair value to a full range of business, municipal, insurance and individual clients.

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Comments and questions regarding specific articles should be addressed to the attention of the contributing writer. Remarks concerning miscellaneous features should be addressed to the attention of Jennifer Sherman.

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