

The Impact of Unclaimed Property Returns

A Preliminary Analysis of Data from the State Treasury of Mississippi

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Overview

Purpose:

Examine the economic impact of unclaimed property returns processed.

Data:

State Treasury of MS Unclaimed Property Return Data – CY 2020 to CY 2022

Methodological Approach:

Utilize the Regional Economic Models Incorporated (REMI) PI+ Model to simulate the impact of returned property on the MS economy.



Preliminary Findings

By the Numbers:

- 28,688 – Number of Claims Processed
- \$63,158,631 – Total Amount of Unclaimed Property Returned
- 83% – Percent of Claims who were MS Claimants
- \$1,341 – Average Amount Returned to MS Individuals
- \$7,488 – Average Amount Returned to MS Businesses

Economic Impact:

- 94 – Average Number of Jobs Supported Per Year
- \$13,175,991 – Average Personal Income Generated Per Year
- \$1,317,599 – Average State and Local Tax Revenue Generated Per Year
- \$8,847,975 – Average MS GDP Generated Per Year





Methodology

Analysis Strategy:

- I. Analyze State Treasury of MS Unclaimed Property Return Data from CY 2020 to CY 2022.
 - Calculated unclaimed property returns by claimant type (i.e., individuals and businesses).
- II. Estimate the impact of unclaimed property returns on the MS economy from CY 2020 to CY 2022.
 - Utilized the REMI PI+ Model to assess the economic impact of a targeted infusion of dollars through unclaimed property returns.

Methodological Assumptions:

- I. Individuals receiving unclaimed property returns spent 52% of payment within the state, while the remainder was either saved or applied towards debt payment.¹
- II. Businesses receiving unclaimed property returns invested the entire payment into the MS economy.

¹ The assumption was built on the finding of a National Bureau of Economic Research (NBER) study titled "How Did U.S. Consumers Use Their Stimulus Payments?". The study revealed that Mississippi residents allocated 52% of their stimulus payments from the CARES Act towards purchasing goods and services.



Preliminary Results



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Unclaimed Property Returns: State Treasury of MS Data

Total Returns by Recipient Type from CY 2020 to CY 2022

Type of Recipient	Mississippi Claimant				Non-Mississippi Claimant			
	\$ Paid	% of Total Paid	# of Claims	% of Claims	\$ Paid	% of Total Paid	# of Claims	% of Claims
Individual	\$30,440,692	68.4%	22,689	95.4%	\$12,174,075	65.3%	4,369	89.3%
Business	\$8,036,387	18.1%	1,079	4.5%	\$6,458,480	34.7%	526	10.7%
State Agency	\$6,048,997	13.5%	25	0.1%	\$0	0.0%	0	0.0%
Total	\$44,526,076	100.0%	23,793	100.0%	\$18,632,555	100.0%	4,895	100.0%

On average, paid claims to MS individuals were \$1,341, which is more than the average weekly wage of a MS resident (i.e., \$827) in CY 2022.

On average, paid claims to MS businesses were \$7,448.



MS Unclaimed Property Returns: State Treasury of MS Data

REMI PI+ Input from CY 2020 to CY 2022

Input	CY 2020	CY 2021	CY 2022
Transfer Payment from Government	\$4,059,146	\$6,370,712	\$5,399,301
Business Investment Spending	\$2,742,266	\$2,911,961	\$2,382,160
<i>Annual Sub-Total</i>	<i>\$6,801,412</i>	<i>\$9,282,673</i>	<i>\$7,781,461</i>
<i>Total</i>	<i>\$23,865,546</i>		

Note: The inputs represent the removal of payments returned to the economy, simulating the MS economy without such payments being returned.



Estimated Impact of MS Unclaimed Property Returns

Estimated Impact of MS Unclaimed Property Returns, CY 2020 to CY 2022

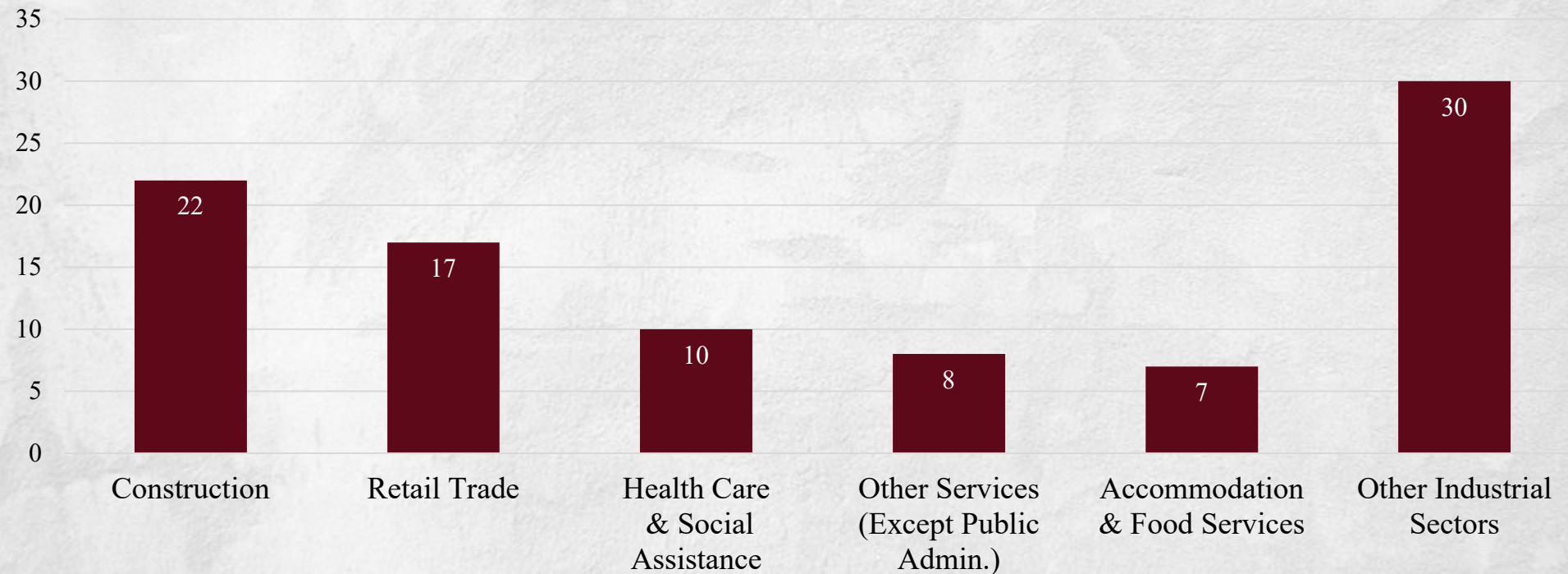
	CY 2020	CY 2021	CY 2022	<i>Average</i>
Total Jobs	77	111	95	94
GDP	\$7,084,587	\$10,387,866	\$9,071,473	\$8,847,975
Personal Income	\$10,435,166	\$15,689,710	\$13,403,096	\$13,175,991
Tax Revenue	\$1,043,517	\$1,568,971	\$1,340,310	\$1,317,599
<i>State Tax Revenue</i>	\$730,462	\$1,098,280	\$938,217	\$922,319
<i>Local Tax Revenue</i>	\$313,055	\$470,691	\$402,093	\$395,280

Note: GDP, Personal Income, and Tax Revenue reflect 2022 dollars.



Estimated Impact of MS Unclaimed Property Returns

Average Estimated Impact on Employment by Industry, CY 2020 to CY 2022



Next Steps

1. Explore providing more granular analyses by geography (e.g., MS county, MS congressional districts).
2. Predict the impact of unclaimed property returns on the MS economy over the next 5 years – CY 2023 to CY 2027.



Questions?



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