

## CHECKLIST FOR CLOSING YOUR IOLTA ACCOUNT

1. **Reconcile the IOLTA Account** – Any funds remaining in the account should correspond to specific clients, nominal funds used to open the account, or amounts deposited to cover reasonably anticipated bank charges. See [ORPC 1.15-1\(b\)](#) and [OSB Formal Op No 2005-145](#). For instructions on how to reconcile the IOLTA account, see *Mastering Your Lawyer Trust Account*, available on the PLF website, [www.osbplf.org](http://www.osbplf.org). Click on the Services tab > CLEs & Resources > PLF Books > Mastering Your Lawyer Trust Account.
2. **Contact Your Bank** – Contact the bank to determine whether there will be any charges associated with closing the account. If a closing fee will be assessed, deposit sufficient funds to cover the closing fee. You are responsible for this bank charge – do not use client funds to cover this fee. See [OSB Rules of Licensure Title 6.6\(2\)\(c\)](#).
3. **Send Final Bills** – Prepare and send final client bills, if necessary.
4. **Disburse Funds Belonging to You** – Disburse funds belonging to you (earned fees, reimbursement for costs advanced) and deposit into your business account.
5. **Disburse Funds Belonging to Clients** – Disburse funds belonging to clients. Send to clients with a duplicate copy of their final bill or prepare cover letters transmitting your checks.
6. **Unclaimed Property** – For unclaimed trust account funds belonging to clients whose last known address was in Oregon, follow the procedures in the Disposition of Unclaimed Property Act, ORS 98.302-98.436. Note, if the unclaimed funds consist of an uncashed witness fee, or other payments not cashed by a third party, the funds revert to the client and should be reimbursed to the client.

Effective January 1, 2021, per Senate Bill 454, Oregon's Unclaimed Property and Estate Administration are now under the authority of the Oregon State Treasury. The unclaimed funds held in lawyer trust accounts must be reported to the Oregon State Treasury but paid over to the Oregon State Bar. The Oregon State Bar and the Oregon State Treasury are currently working together to provide a more streamlined reporting system that will benefit lawyers and claimants alike. In the meantime, the bar asks that you use the fillable form [Lawyer Trust Account](#). You can find more information about the process at <https://www.osbar.org/resources/abandonedfunds.html>. See also [OSB Formal Opinion No. 2005-48](#). Remit form and payment to: Oregon State Bar, Unclaimed Funds, P.O. Box 231935, Tigard, OR 97281. By submitting your reporting to the bar, you have fulfilled your obligations to the Oregon State Treasury.

Pursuant to ORS 98.332, funds held by a fiduciary (including a lawyer) are deemed abandoned if the owner has not accepted payment of the funds, corresponded in writing about the funds, or otherwise indicated interest in the funds within three years after the funds are payable or distributed to the owner. Funds deemed abandoned as of June 30 of each year are to be reported to the Oregon State Treasury during the month of October of that same year. Keep in mind, if the owner's last address is in a different state, those funds must be reported and sent to that state. The OSB cannot accept money from other states and will send it back.

Questions about abandoned funds can be addressed to the Oregon State Bar at (503) 620-0222 ext. 315.

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7. **Outstanding Checks** – Do not close the account until all outstanding checks have cleared.
8. **Shredding** – Shred unused checks and deposit slips once the IOLTA account is closed. This will prevent fraud and protect you from mistakenly using checks and deposit slips from your closed account.
9. **Recordkeeping** – Keep the IOLTA check register, client ledgers, bank statements, and other records for at least five years: “Complete records of [trust] account funds and other property shall be kept by the lawyer and shall be preserved for a period of five years after termination of the representation.” ORPC 1.15-1(a).
10. **Bar Notification** – No rule requires lawyers to update the OSB when an IOLTA account is closed between annual certifications. For more information on annual reporting requirements, see <https://www.osbar.org/IOLTA>.

### IMPORTANT NOTICES

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