

Trust Account Trivia

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Q. When is my reconciliation due?

A. Annually on or before the last day of the anniversary month of the broker's license renewal.

Q. I'm late, what should I do?

A. Submit as soon as possible along with a cover letter indicating the month due.

Q. My trust account is out of balance and my reconciliation is due what should I do?

A. Submit on time with the bottom line of page 1 of the Trust Account Reconciliation form, #546, showing the difference an explanation for the difference and the corrective action taken.

Q. Can my bookkeeper be a signer on my trust account? Can my agents that have permits sign?

A. No, a non-licensee may not sign on trust account. Licensed agents, who are also Property Management permit-holders, may sign along with their broker with the exception of a designated property manager who may be the sole signer with the broker's written permission.

Q. Why do I need 2 trust accounts?

A. Owner's operating trust monies and tenants' security deposits are to be held separately.

Q. What is a custodial account? Can I have one in Nevada?

A. Property owners have signatory rights on custodial accounts. Managers maintain separate accounts for each owner. Yes, Nevada brokers may operate with custodial accounts. They are treated the same as trust accounts and each must be reconciled annually.

Q. Our current broker who has a permit is leaving the company. Does that broker have to submit a Trust Account Reconciliation?

A. Yes. The outgoing broker is responsible for submitting a trust account reconciliation before leaving. If he does not, he will be in violation of NAC 645.805 and accountable to the Division.

Q. My company has a designated Property Manager because the broker does not hold a Property Management Permit. When is our trust account reconciliation due?

A. Annually on or before the last day of the anniversary month of the broker's license renewal.

Q. What do I have to send with my trust account reconciliation?

A. A completed Form 546, the previous month's bank statement for each account and a copy of ledger balances.

Q. Do I send in 12 months of records once a year?

A. No, only one month – the most recent month's statement.

There was a misprint in the final trivia question. The question should have read as follows:

Q. Can I invest client monies in certificate of deposits (CDs) or US treasury bonds?

A. No. A broker may not "invest" client money. Client monies must be held in trust in a fully, insured account and available to withdraw on demand at all times.