

Good Morning,

Section 74.602 of the Texas Property Code authorizes the Texas Comptroller of Public Accounts to allocate a portion of the unclaimed capital credits received from electric cooperatives back to counties in cooperatives' service areas. The Code also states that the money may only be used to fund an appropriate program under Section 381.004 of the Local Government Code.

The commissioners' court is the primary governing body and ultimate decision-making authority regarding the legitimacy of requests for funds under this provision. The amount available to each county is based on total capital credits remitted this reporting year, minus anticipated claims as determined by the Comptroller.

When completing the attached request form, please refer to the following guidelines:

- Requests are to be submitted by the commissioners' court to the Texas Comptroller of Public Accounts **before** or by July 31, 2021.
- Requests **must** include the complete name, address and federal tax identification number of the Commissioners' Court. Funds will be paid directly to the court.
- All requests **must** include certification that the purpose of the funds is in compliance with the provisions of Section 381.004 of the Texas Local Government Code.

If you have any questions concerning these procedures, please contact Martha Velazquez by email at Martha.Velazquez@cpa.texas.gov or by phone at (512) 936-9228.

Sincerely,

Verna Bright

Section Supervisor

Holder Education and Reporting Section



APRIL 2021

Unclaimed Property Capital Credits for Counties

Glenn Hegar

Texas Comptroller of
Public Accounts

In conjunction with Local Government Code, Section 381.004, Texas Property Code, Section 74.602 authorizes the Texas Comptroller of Public Accounts (Comptroller's office) to allocate a portion of the unclaimed capital credits received from electric cooperatives back to the counties in the cooperatives' service area.

What are unclaimed capital credits?

Electric cooperatives that have lost contact with a previous customer sometimes report capital credits to the Comptroller's office as unclaimed property. Texas law allows counties to claim a portion of unclaimed capital credits originating from their county and use them for specific programs.

How are funds divided among counties?

- Electric cooperatives report unclaimed capital credits and the county of service from which they originated.
- Electric Cooperatives must use the numeric Federal Information Processing Standard (FIPS) county code of the service address. This code must be entered in the country code field of the remittance report.
- A county may or may not receive funds in a given year.

Who qualifies?

- Any county can request a portion of these funds.
- The county must follow instructions in Local Government Code, Section 381.004 to request funds.
- The commissioners court is the primary governing body and ultimate decision-making authority on the legitimacy of fund requests.

General uses of capital credits

The county commissioners court may use capital credits to develop and administer a program:*

- for state or local economic development
- for small or disadvantaged business development
- to stimulate, encourage and develop business location and commercial activity in the county
- to promote or advertise the county and its vicinity or conduct a solicitation program to attract conventions, visitors and businesses
- to improve the extent to which women and minority businesses are awarded county contracts
- to support comprehensive literacy programs that benefit county residents
- for the encouragement, promotion, improvement and application of the arts
- to support a children's advocacy center

*Review Local Government Code, Section 381.004 before starting a program.

How to request capital credits

The county judge and/or commissioners court must complete and submit the form on the back of this notice.

- The form must be signed by a representative of the commissioners court or the county judge.
- The form must include the complete name, address and federal tax identification number of the commissioners court. Funds will be paid directly to the court.

For more information,
visit our website at
ClaimItTexas.org.

For questions on
Capital Credits, contact
our Holder Education and
Reporting section at
800-321-2274, option 2 or
up.holder@cpa.texas.gov

UNCLAIMED PROPERTY CAPITAL CREDITS FOR COUNTIES

County Request for Capital Credits

County Name _____ County FEIN _____

Authorized by Judge Commissioners Court

Name of County Judge _____ Approved Date _____

Send the requested funds to:

Address _____ City _____ State _____ Zip _____

I acknowledge that the purpose of the funds complies with provisions of
Texas Local Government Code, Section 381.004.

Name (printed) _____ Title _____

Signature _____ Date _____

Email Address _____ Phone _____

Submit signed and completed form by either mail, email or fax by July 31, 2021.

Mail Texas Comptroller of Public Accounts
Unclaimed Property Division
Holder Education and Reporting section
P.O. Box 12019
Austin, Texas 78711-2019

Email up.holder@cpa.texas.gov
Fax 512-463-3569

FOR COMPTROLLER'S USE ONLY: We are authorized to release ____% of the total amount available to your county. We will send a \$_____ payment to the address provided above. By requesting funds, you have certified that they will be used in compliance with the provisions of Texas Local Government Code, Section 381.004.

Comptroller's Representative _____ Date _____

This publication is intended as a general guide and not as a comprehensive resource on the subjects covered.
It is not a substitute for legal advice.

In compliance with the Americans with Disabilities Act, this document may be requested in alternative formats by calling **800-252-1382**,
or by sending a fax to **512-475-0900**.