

# Unclaimed Property Capital Credits for Counties

Glenn Hester

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.
- The amount available to each county is based on that county's total capital credits remitted per reporting year, minus anticipated claims as determined by the Comptroller's office.
- A county may or may not receive funds in a given year.

## Who qualifies?

- Any county can request a portion of those 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.

## County Request for Capital Credits

County name Sabine County FEIN \_\_\_\_\_Authorized by ☒ Judge ☐ Commissioners CourtName of County Judge Daryl Melton Approved Date May 29, 2018

## Send the requested funds to:

Address P.O. Box 716 City Hemphill State Tx Zip 75948I acknowledge that the purpose of the funds complies with provisions of  
Texas Local Government Code, Section 381.004.Name (printed) Daryl Melton Title Sabine Co. JudgeSignature Daryl Melton Date 29 May 2018Email Address daryl.melton@co.sabine.tx.us Phone 409-787-3543

Submit signed and completed form by either mail or email by July 31, 2018.

Mail Texas Comptroller of Public Accounts  
Unclaimed Property Division  
Holder Reporting and Education Section  
P.O. Box 12019  
Austin, Texas 78711-2019Email up.holder@cpa.texas.gov  
Phone 800-321-2274, option 2

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.

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