

Texas Certified Investor Annual Notification of Credit Transfer

A Certified Investor in a Texas Certified Capital Company (CAPCO) must complete and attach a Transfer Affidavit (Form 25-121) for each insurer to whom credits are transferred.

Notification for Tax Year _____

• See instructions on back.

Name of Certified Investor		Taxpayer Number
Address		
City	State	ZIP Code
Name of Contact Person		
Phone Number (Area code and number)	FAX number (Area code and number)	Email address

CAPCO THAT RECEIVED INVESTMENT	AMOUNT OF ORIGINAL INVESTMENT	TOTAL CREDITS TO BE TRANSFERRED <i>(Whole dollars only)</i>
<input style="width: 100%; height: 100%;" type="text"/>	\$ <input style="width: 90%; height: 100%;" type="text"/>	\$ <input style="width: 90%; height: 100%;" type="text"/>

Insurer Receiving Credit Transfer	Taxpayer Number	AMOUNT OF CREDIT TRANSFERRED	PROPORTIONATE ANNUAL SHARE OF CREDIT AVAILABLE TO EACH INSURER
Transferee Contact Name	Contact phone (Area code and number)	\$ <input style="width: 80%; height: 20px;" type="text"/>	\$ <input style="width: 80%; height: 20px;" type="text"/>
Insurer Receiving Credit Transfer	Taxpayer Number	AMOUNT OF CREDIT TRANSFERRED	PROPORTIONATE ANNUAL SHARE OF CREDIT AVAILABLE TO EACH INSURER
Transferee Contact Name	Contact phone (Area code and number)	\$ <input style="width: 80%; height: 20px;" type="text"/>	\$ <input style="width: 80%; height: 20px;" type="text"/>
Insurer Receiving Credit Transfer	Taxpayer Number	AMOUNT OF CREDIT TRANSFERRED	PROPORTIONATE ANNUAL SHARE OF CREDIT AVAILABLE TO EACH INSURER
Transferee Contact Name	Contact phone (Area code and number)	\$ <input style="width: 80%; height: 20px;" type="text"/>	\$ <input style="width: 80%; height: 20px;" type="text"/>
Insurer Receiving Credit Transfer	Taxpayer Number	AMOUNT OF CREDIT TRANSFERRED	PROPORTIONATE ANNUAL SHARE OF CREDIT AVAILABLE TO EACH INSURER
Transferee Contact Name	Contact phone (Area code and number)	\$ <input style="width: 80%; height: 20px;" type="text"/>	\$ <input style="width: 80%; height: 20px;" type="text"/>
Insurer Receiving Credit Transfer	Taxpayer Number	AMOUNT OF CREDIT TRANSFERRED	PROPORTIONATE ANNUAL SHARE OF CREDIT AVAILABLE TO EACH INSURER
Transferee Contact Name	Contact phone (Area code and number)	\$ <input style="width: 80%; height: 20px;" type="text"/>	\$ <input style="width: 80%; height: 20px;" type="text"/>
Insurer Receiving Credit Transfer	Taxpayer Number	AMOUNT OF CREDIT TRANSFERRED	PROPORTIONATE ANNUAL SHARE OF CREDIT AVAILABLE TO EACH INSURER
Transferee Contact Name	Contact phone (Area code and number)	\$ <input style="width: 80%; height: 20px;" type="text"/>	\$ <input style="width: 80%; height: 20px;" type="text"/>
Insurer Receiving Credit Transfer	Taxpayer Number	AMOUNT OF CREDIT TRANSFERRED	PROPORTIONATE ANNUAL SHARE OF CREDIT AVAILABLE TO EACH INSURER
Transferee Contact Name	Contact phone (Area code and number)	\$ <input style="width: 80%; height: 20px;" type="text"/>	\$ <input style="width: 80%; height: 20px;" type="text"/>

You have certain rights under Chapters 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at the address or phone number listed on this form.

TOTALS	\$ <input style="width: 90%; height: 20px;" type="text"/>	\$ <input style="width: 90%; height: 20px;" type="text"/>
---------------	---	---

I declare that the information in this document and all attachments are true and correct to the best of my knowledge and belief.

sign here	Authorized agent
Preparer's name (please print)	
Daytime phone (area code and number)	Date

INSTRUCTIONS

This form must be filed annually by all certified investors who elect to transfer CAPCO tax credits during the year. A certified investor transferring credits from investments in more than one CAPCO must file a separate NOTIFICATION form for credit transfers from each CAPCO.

A Transfer Affidavit for **EACH** insurer receiving a credit transfer must accompany this form.

Certified investors must report transferred credits to the Comptroller only once per tax year for each CAPCO.

Once filed, this notification cannot be revoked for any purpose.

This form is due no later than January 10 following the tax year that credits are transferred. Forms received after this date will be considered as the filing for the next tax year.

Only certified investors may transfer CAPCO tax credits.

Retroactive transfers are not allowed.

All transfers must comply with the requirements of and are subject to the limitations in Rule 34 TAC §3.830.

Insurers receiving a transfer of CAPCO credits are limited to using their proportionate share of the CAPCO credits that the original certified investor would have been entitled to use during a tax year. (See example, below.)

EXAMPLE of Maximum Annual Credit Allowed determination

Company A (certified investor) has \$4 million in tax credits and is therefore entitled to use a maximum of \$1 million in tax credits per year over 4 years. Company A is only able to use \$500,000 in the first year of the credits, but is allowed to roll the unused \$500,000 forward to future years.

For the second tax year, Company A has a balance of \$3.5 million in tax credits and is allowed to use a maximum of \$1 million in tax credits that year, except that it transfers \$1 million in credits to Company B and \$1 million in credits to Company C. In the subsequent tax years, the total allowable credits are \$1 million between the three companies. Assuming that beginning in Year 2, the three companies use the maximum annual credit allowed, the credits would be applied as follows:

	<u>COMPANY</u>	<u>CREDIT BALANCE</u>	<u>MAXIMUM ANNUAL CREDIT ALLOWED</u>
Year 2	A	\$1,500,000	\$ 333,334 (<i>\$500,000 carried forward to future years</i>)
	B	\$1,000,000	333,333
	C	\$1,000,000	<u>333,333</u>
			\$1,000,000
Year 3	A	\$1,166,666	\$ 333,334
	B	\$ 666,667	333,333
	C	\$ 666,667	<u>333,333</u>
			\$1,000,000
Year 4	A	\$833,332	\$ 333,332
	B	333,334	333,334
	C	333,334	<u>333,334</u>
			\$1,000,000
Year 5	A	\$500,000	\$ 500,000 (<i>unused balance from year 1</i>)
	B	0	0
	C	0	<u>0</u>
			\$ 500,000

Questions regarding submission of the Annual Notification of Credit Transfer or the Transfer Affidavit should be directed to:

CAPCO PROGRAM ADMINISTRATOR
 Phone: 512-463-4124
 FAX: 512-463-4368
 Email: **corrine.hall@cpa.state.tx.us**

Return form to:
 STATE COMPTROLLER
 111 E. 17th Street Austin, TX 78774-0100
 1-800-531-5441, ext. 3-4124