

Approval of 2024 IRS Form 990

Sharon Houghton | Tax and Accounting Manager

Kat Jones | Vice President, Finance

Audit Committee met on 10/7/25 to review Form 990

PEC staff and Bill Miller of Bolinger, Segars, Gilbert & Moss LLP met with the Audit committee to review and discuss the IRS Form 990.



Bolinger, Segars, Gilbert & Moss LLP

Certified Public Accountants

8215 Nashville Ave

Lubbock, TX 79423

(806) 747-3806 Phone

(806) 747-3815 Fax



Bill Miller, CPA



IRC Section 501(c)(12)(A) Tax Exemption and Form 990

501(c)(12)(A) provides for the following exemption:

"...mutual or cooperative telephone companies or like organizations; but only if 85% or more of the income consists of amounts collected from members for the sole purpose of meeting losses and expenses"

Key Elements of Tax Exemption:

- Must operate on a mutual or cooperative basis.
- Operations must be a "like organization" or "like activity".
- Must collect at least 85% of income from members.
- Member income must be collected for the sole purpose of meeting losses and expenses of the organization.

For 2024 all requirements are met, **PEC** is tax exempt and should file Form 990





PEDERNALES ELECTRIC COOPERATIVE