

**Questions Received during the Webinar,  
“What’s New in the 2016 FCC Form 499-A”**

Presented Tuesday, March 8, 2016, at 3:00 PM EST

A recording of the event is available in the [Online Learning Library](#).

### General Questions

**Can I get a copy of the slides?**

Please see our website [here](#).

**Question - When the system "locks" the account for the 24 hour period, is there a way to get it reset BEFORE the 24 hours?**

Yes, please call Customer Operations at (888) 641-8722, and they will be able to help you.

**Where are the instructions for the 499-A?**

You can find the [Instructions for the 2016 FCC Form 499-A](#) at the link.

**As a new interconnected VoIP provider (first-time filer), is there any specific information that would be helpful? For example, avoiding common errors, or tips for more efficient filing, etc.**

Yes! Please see our other two [webinars](#), held on Thursday, March 10 and Tuesday, March 15.

### E-File

**I am now the administrator for an account. I have been unable to get the contact changed to me from a person that is no longer an employee. Could someone help me with that?**

Contact Customer Operations on (888) 641-8722 and they can help you.

**My officer's name, title, and date signed are not populating on the 499 form when I print it. How can it be fixed?**

This is not an error. Because companies can now have more than one officer, the officer’s name and title are not populated until the officer signs in to certify the form.

**With the E-File password reset, could you add functionality where the user can reset the password without having the officer to reset it for the user?**

The procedure described in the webinar can be used by both preparers and officers. You can review the procedure on slides 37 – 41.

### Resellers and End Users

**Should resellers who submit an annual certificate late be treated as reseller/exempt**

**retroactively (i.e., to the beginning of the year?)**

That is up to you. Bear in mind that if your reseller submits a late certification and you have already submitted your FCC Form 499-A, if you retroactively change your handling of their revenue you must refile that form with accurate information

**What do you do if resellers (large carriers) continually fail to respond to requests for reseller information?**

If resellers won't respond to your request for reseller information, you must treat them as end users and charge and collect USF.

**How do we certify that a reseller is de minimis?**

Your reseller must certify that to you if it is the case. Please see slides 25 – 28 for the FCC safe harbor procedures to follow concerning your reseller customers.

**If we have a carrier that does not claim exemption as a wholesaler, do we need to annually request an exemption stating that they are not exempt?**

No. The default position is to consider the carrier an end-user. A carrier only needs to file an annual exemption request if they do not want to be considered an end user, they wish to be considered a wholesaler that contributes directly to USAC.

**Per Minute Switched Access Revenues to established IXC carriers does not require a reseller certification, correct?**

If you are referring to CABS revenue, that is correct.

## Safe Harbor and Other Methods To Determine Jurisdiction

**Do we have to certify 10% annually?**

It sounds like we're confusing two separate issues here. First, if a company that purchases your telecom services is a direct contributor to USAC, it must certify that to you annually. Second, if a circuit carries more than 10% interstate traffic, it is considered to be entirely interstate and the revenue from that circuit should be listed in column D of the line on which it appears on your 499-A.

**For international customers, where you cannot determine if calls are going into the US, can you use a percentage of the revenues?**

There are three FCC-approved ways to apportion the amount of revenue designated as intrastate, interstate, and international. You may use actual figures, if you have them. You may use a good-faith estimate. Information on good-faith estimates is available in the [2016 Instructions](#), pp. 38-39. Filers may also provide a traffic study. Information on traffic studies are provided in the [2016 Instructions](#), p. 41.

**I would like to confirm the Safe Harbor procedure. According to the information provided today, the 37.1% calculation is no longer acceptable. Is that correct?**

There is more than one safe harbor procedure. The 37.1% cellular/PCS safe harbor is still in effect. Several of the safe harbor procedures involve designating a certain percent of total revenue as interstate revenue. Those safe harbor percentages are as follows:

- 37.1% of cellular and broadband PCS telecommunications revenues
- 12.0% of paging revenues
- 1.0% of analog SMR dispatch revenues
- 64.9% of interconnected VoIP and non-interconnected VoIP telecommunications revenues

The safe harbor procedure discussed in the presentation is the procedure to follow when one of your wholesale customers wishes you to treat it as a direct USAC contributor.

**If any service provider treat all intrastate circuit as interstate for regulatory purpose. Is that correct?**

That is one of the safe harbor options the FCC has designated as acceptable for bundled products. The other safe harbor option for bundled products is to report the revenue from assessable products contained in the bundle with no discount from the bundled offering being allocated to those assessable products. Filers may also use other reasonable methods, though during an audit the filer should be prepared to document and explain their method, as other methods will not be automatically approved.

**Local private line = intrastate & long distance private line = interstate?**

This is not necessarily the case, though it can be. An example of where a local private line can be interstate (for POTS calls, one end of the call is in one state and the other end is in another state) is in the District of Columbia/Maryland/Virginia area, in which the area around the District is made up of parts of both Maryland and Virginia. The local calling area is comprised of three different states. An example in which a long distance call is not an interstate call would be in California, where a call from San Francisco to San Diego is about 500 miles, but both cities are within the same state.

**What if you have an EU that certifies a service is intrastate when you have reason to believe it is interstate?**

If you believe a company is providing inaccurate information in an effort to avoid paying USF, you may contact us using our [Whistleblower](#) procedures. You may give your name, but you are not required to. All reports are considered confidential. Laws protect you from any action taken against you because you filed this report.

**Could you talk about de minimis standard and requirements?**

For the 2016 FCC Form 499-A, a company is de minimis if it has less than \$68,932.88 in assessable revenue. Assessable revenue is revenue that is considered interstate or international telecom revenue. On the FCC Form 499-A, a company is considered de minimis if the total of boxes 423D and 423E is less than \$68,932.88.

**Do Service Providers fill this out based on deals transacted? Or is it a requirement yearly as a Service Provider?**

If a company has a 499 filer ID, it must file the FCC Form 499-A every year, and if it is not de minimis, it must also file the FCC Form 499-Q every quarter.

**I am filling out the 499A for the first time for prior year (2015). 2015 was our first year contributing. Is there a good way to determine if we are taxing the right products? We are a telecom reseller for audio, video and web conferencing.**

The [Instructions to the 2016 FCC Form 499-A](#) holds a wealth of information and can answer most of your questions. You may also contact USAC at (888) 641-8722 to discuss your situation.

FYI, though the USF contribution factor is a percentage, it is not a tax. It is most correctly thought of as a cost of doing business in the U.S.

**It is my understanding that if our total revenue includes all fees, we do not have to report USF and USAC separately.**

That is incorrect. The amount of USF charged to your customers must be determined and shown on line 403.

**If we sell internet as a primary service and voice as a secondary service, do we have to report all of our internet revenue?**

Yes, the FCC requires that all filers report all of their revenue. That is why they provide line 418 as a place to report non-assessable revenue. The FCC uses the FCC Form 499-A for many things other than just reporting for USF.

**System integrators that derive less than five percent of their system integration revenues from the resale of telecommunications are not required to file or contribute directly to universal service.**

If your question is whether this is still the case, the answer is yes.

**Audio conferencing services/conference calling revenue would be billed under what line item in 499-A? Line 417?**

That is correct.

