

From: 498/499 Spotlight <outreach@usac.org>
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Subject: FCC Form 499-A Due April 3, Webinar Series, and More

Upcoming deadlines, compliance tips, and more
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First Quarter 2017

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Deadlines

DUE	ITEM	More Details
Feb 1	FCC Form 499-Q	File FCC Form 499-Q
Feb 15	Universal service contribution	Make a payment
March 15	Universal service contribution	Make a payment
April 3	2017 FCC Form 499-A	File FCC Form 499-A
April 14	Universal service contribution	Make a payment

The Bottom Line: Audit Tips

Categorizing Revenue on the FCC Form 499-A for Vertical Features

The revenue categorization of vertical features depends on technical telecommunications factors, but is fairly simple to determine once you know the trick. The following information will give you some guidance on how to determine if these features are considered “telecommunications” or something else.

Vertical features are the add-ons to local or VoIP services that enhance a simple phone call. These features can include the following:

- Caller ID,

AT THE FCC

First Quarter 2017 Contribution Factor Decreases to 16.7 Percent

The FCC released a Public Notice ([DA 16-1367](#)) announcing that the proposed universal service fund contribution factor for the first quarter (January-March) of 2017 will be 0.167, or 16.7 percent.

QUESTIONS/FEEDBACK

Contact Us

We are here to support you! Visit the [Contact Us](#) page and let us know how we can help you.

- Call waiting,
- Call blocking,
- Busy redial,
- Three-way calling,
- Call return,
- Call forwarding,
- Private outbound calling,
- VIP ringing,
- Find Me, and
- Enhanced voicemail.

This is not an exhaustive list, as companies continue to add new features. Also keep in mind that different providers can market these functions under different names.

Revenues to Include in Your Contribution Base

If a feature relies on the telecommunications switch to enable its functionality, such as caller ID and call blocking, then you should report the revenue for that feature under the telecommunications local revenue lines as outlined below. Some examples of these types of features are **call forwarding**, **caller ID**, **call waiting**, and **call blocking**.

Reporting

For carriers selling directly to their end-user customers, this revenue should be recorded with the traditional switched circuit revenues on either Line 404.1 or 404.3. Interconnected VoIP carriers need to report it on lines 404.4 or 404.5. For carriers selling to carriers or resellers, these revenues should be reported on the Fixed Local Service, Lines 303.1 & 303.2.

For purposes of jurisdictional breakout, vertical feature revenue is categorized as intrastate. If the vertical features are included in a local/long distance bundled package, you can, by using a reasonable allocation method, break out the vertical features and report them as 100% intrastate. You should be aware, however, that any allocation method employed will be evaluated on a case-by-case basis in an audit or enforcement context for reasonableness.

Revenues Not to Include in Contribution Base

If the vertical feature relies on software to create the functionality, the revenue from that feature is reported as non-telecommunications revenue on Line 418.3. Some examples of these types of features are **voicemail** and **music on hold**.

Training

499-A Training

All telecommunications providers (including *de minimis* carriers) must submit FCC Form 499-A, which reports historical revenue data from 2016 and is due Monday, April 3, 2017.

Join USAC for a webinar about FCC Form 499-A, the Annual Telecommunications Reporting Worksheet. This year, we are offering four webinars, each tailored to a specific audience. Based on your primary line of telecommunications service, please select the webinar that best fits your needs. Each webinar will cover the same general information about filing the FCC Form 499-A, so there is no need to attend more than one.

Registration is free but required. Please join us!

View Events and Register at [FCC Form 499-A Webinar Series](#)

Live webinars from 2:00 PM-3:30 PM ET on March 6, 9, 15, and 16, 2017

March 6, 2017 - Filing FCC Form 499-A: for CLECs, ILECs, and IXC

In this webinar, designed for CLECs, ILECs, and IXCs (interexchange carriers), we'll cover local calling

and the charges associated with local calling, including PICC charges (when they exist) and vertical features. We'll also cover long distance non-VoIP direct dialed calls and the yearly true up process. (FCC Form 499-A lines 404.1, 404.2, 404.3, 405, 414.1)

March 9, 2017 - Filing FCC Form 499-A: for VoIP Service Providers

In this webinar, designed for VoIP service providers, we'll cover VoIP revenue, both local and long distance, including how to use the FCC's safe harbor percentages and when to send in traffic studies. (FCC Form 499-A lines 404.4, 404.5, 414.2)

March 15, 2017 - Filing FCC Form 499-A: for Mobile Service Providers (including paging and SMR)

In this webinar, designed for mobile service providers, including those providing paging services and specialized mobile radio (SMR), we'll discuss filing for mobile services (which are cell phone calling, paging, and SMR). We will also go over the non-USF assessable revenue lines of 418.1 – 418.4 and the summation/bad debt lines of 419 – 423 on the FCC Form 499-A.

March 16, 2017 - Filing FCC Form 499-A: for All Other Services

This webinar is designed for providers of all "other" services, such as those providers interested in learning about state and federal USF, local and long distance private lines, payphones (including prison payphones), prepaid cards, calls that do not originate, terminate, or transit the United States, calls that use special billing arrangements, and satellite services. (FCC Form 499-A lines 403, 406, 407, 411, 412, 413, 415, 416, 417.)

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