Report Revenues on FCC Form 499-Q Due November 1, 2019

Each quarter, all telecommunications carriers and interconnected VoIP providers that are not de minimis are required to contribute directly to the Universal Service Fund and must file the FCC Form 499-Q (Telecommunications Reporting Worksheet) with USAC. The FCC Form 499-Q is used to collect filer revenue information and to determine the filer's universal service contribution obligation for the upcoming quarter.

De minimis carriers should notify USAC that the filer remains de minimis for the First Quarter of next year (January 1 – March 31, 2020). Send the notification email to Form499@usac.org.

All non de minimis providers of telecommunications services and interconnected VoIP services are required to complete FCC Form 499-Q and report actual revenue data for the Third Quarter of this year (July 1st – September 30th, 2019) and projected revenue for the First Quarter of next year (January 1st – March 31st, 2020).

- Actual billed revenue (lines 115-118): July 1 – September 30, 2019
- Projected end-user revenue (lines 119 & 120): January 1 – March 31, 2020
  - Line 119 is used to project the company’s gross billed, end user interstate and international telecommunications revenues
  - Line 120 is used to report how much of the revenue reported on Line 119 the company actually expects to collect.
Remember! This revenue on line 119 and 120 represents only end user telecommunications revenues. Do not include projected non-telecommunications revenues on Line 119 or Line 120. But, last quarter’s billed non-telecommunications revenues **are** included on Line 117.

Revisions to this form are due by December 15, 2019. Watch this [FCC Form 499-Q Basic Training video](#) to learn how to review reported revenue data prior to submitting to USAC to ensure accurate invoices are generated.

For questions about the revenue you are reporting on your form, call USAC's Customer Operations team at (888) 641-8722, Option 4.

**Bottom Line: Revenue Reporting-Switching from Safe Harbor to Actuals**

The November FCC Form 499-Q is actually the first form submitted for your calendar year 2020 revenue data. If you have been using the Safe Harbor percentage to report your interstate telecommunications revenue, and have been thinking of switching to using either a traffic study or call detail records, now is the time to make the change.

Filers should use the same methodology (traffic study or safe harbor) to report interstate and international jurisdictions on the FCC Form 499-A as used on the FCC Form 499-Qs to forecast revenue in each quarter of the applicable calendar year.

Filers may change the method they use from quarter to quarter, but they must keep records of how they allocated revenue across the three jurisdictions: intrastate, interstate, and international for each of the quarters. Switching on the November 499Q will allow you to use actual jurisdictional data for the entire calendar year of 2020.

Another factor to consider, all entities within a group of affiliated companies must use the same method.

For the outline of requirements when using a traffic study, please refer to page 42 of the 2019 FCC Form 499-A Instructions.

**Review of Safe Harbor Method**

The FCC has developed safe harbor percentages for several categories of telecommunication services, including wireless and VoIP. These safe harbor percentage are as follows:

- 64.9% of VoIP revenue (lines 303.2, 404.4, 404.5, 414.2 and 418.4)
- 37.1% of cellular and broadband PCS revenue (lines 309, 409 and 410)
- 12.0% of paging revenue (lines 309, 409 and 410)
- 1.0% of analog SMR dispatch revenue (lines 309, 409 and 410)

To use the safe harbor percentages, filers enter all of their revenue for the year in column A and then manually multiply the amount in column A by the safe harbor percentage. The result of this multiplication is entered in column D. The safe harbor accounts for both interstate and international jurisdictions combined so
no entry is needed in column E.

Wireless telecommunications providers, interconnected VoIP providers, and non-interconnected VoIP providers that choose to avail themselves of safe harbor percentages may assume that the FCC will not find it necessary to review or question the data underlying their reported percentages.

Coming November 11: Updated USAC Website

The updated site features design and functionality changes to help users find the information they need, when they need it. The site’s new program homepages put key dates and resources front and center. Information will be updated throughout the year to reflect the program’s lifecycle.

While the site’s content hasn’t changed, expanded menus make it easy to navigate to the information you need and improved search functionality makes it easier to find answers. Updated FAQs allow users to search by topic or specific keywords.

The site responds to mobile devices and all operating systems and meets 508 accessibility standards.

With the migration to the updated website, all USAC URLs (aside from USAC’s landing page, USAC.org) will change. This means that any hyperlinks or bookmarks to USAC web content, including PDFs and CSV templates, will redirect users to USAC’s updated landing page.

For more information on USAC’s new website, log on to USAC.org on Monday, November 11 for a video tour of the new site.

E-File Log In Changes

Beginning December 4, USAC will add multifactor authentication (MFA) to increase the security of most Universal Service Fund IT applications. USAC will also launch a single portal dashboard so that users can access all of their USF IT applications through the same sign on process.

In December, E-file, Lifeline, Rural Health Care, and High Cost program service providers will find all of their program IT applications in the single portal under one sign on.

E-rate service providers will find the FCC Form 472 BEAR search tool, the FCC Form 473 SPAC, and Online Item 21 in the upcoming single portal. USAC will move the E-rate FCC Form 474 to the portal in December as well. However, USAC will add MFA to the E-rate Productivity Center (EPC) and add the system to the single sign on portal next spring.

To prepare for this change, users should confirm that the email and password on their USF accounts are up to date and that each user has a unique log in for each system. If you need to update your USF accounts, please work with your organization’s USF system administrator to make any changes.

Users whose log in information is up to date do not need to do anything until they receive MFA log in
instructions from USAC on December 4.

FCC Form 498 - Update Your Form Today

At the end of August, all service providers were notified that they must update their FCC Form 498 and select the business type(s) that best describe their company. If you’ve already submitted the update, Thank You! For those of you who still need to update their forms, please find the instructions on how to update the form on our website.

4th Quarter Contribution Factor Increases to 25.0%

The FCC released a Public Notice (DA 19-910) announcing that the proposed universal service contribution factor for the fourth quarter (October – December) of 2019 will be .250, or 25.0 percent.

Need Help? Contact Us!
Call us at 888-641-8722 or email CustomerSupport@usac.org.

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