



Universal Service
Administrative Co.

USAC

498/499 Spotlight: Second Quarter 2023

March 29, 2023

Topics included in this newsletter:

- [May FCC Form 499-Q is due by May 1, 2023](#)
- [E-File Contributor Messages](#)
- [Audit Topic](#)
- [E-File Tip](#)
- [Quarterly Training Announcement](#)
- [Second Quarter 2022 Contribution Factor: 29.0%](#)

Report Projected Revenues on FCC Form 499-Q by May 1, 2023

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. Contributors are reminded that their projected quarterly revenues reported on the FCC Form 499-Q determine their monthly invoices from USAC.

A service provider qualifies for *de minimis* status for a given calendar year when its annual contribution, based on reported revenue, to the federal Universal Service Fund is less than \$10,000. For calendar year 2023 the *de minimis* threshold is \$39,062 for annual end user interstate and international telecommunication revenue. Service Providers that anticipate projected end user interstate and international telecommunication revenue for **each quarter of calendar year 2023 that will total less than or equal to \$39,062** qualify for *de minimis* status and therefore are not obligated to file the FCC Form 499-Q, nor pay universal service contributions directly to USAC.

USAC recommends that *de minimis* service providers notify USAC via email of its *de minimis* status each quarter.

E-File Contributor Messages

USAC is excited to announce that we will be launching E-File Contributor Messages, a new direct messaging feature in E-File, on May 12, 2023.

In addition to the convenience of being able to ask and respond to questions directly with the USAC Contributor Operations team, this new feature will create a secure alternative to encrypted emails for sharing confidential information.

Before the feature goes live, USAC will host training webinars to demo the new messaging feature and answer any questions. Both sessions will be held virtually and contain identical presentations. Use the links below to sign up for either session:

- May 3, 2023, at 2 p.m. ET – [Register](#)
- May 4, 2023, at 2 p.m. ET – [Register](#)

Audit Finding: Error in Reporting Reseller Revenue

Description of Finding

Carrier does not meet the definition of “reseller.”

How to Address or Prevent this Finding

The Federal Communications Commission (FCC) has defined a “reseller” as a telecommunications carrier or telecommunications provider that:

1. Incorporates purchased telecommunications into its own offerings; and
2. Can reasonably be expected to contribute to federal universal service support mechanisms based on revenues from those offerings.

Specifically, to report your revenues as reseller revenue in Block 3 of the FCC Form 499-A, your customer must be:

1. Purchasing service(s) for resale, at least in part, and that the company is incorporating the purchased services into its own offerings which are, at least in part, assessable U.S. telecommunications or interconnected VoIP service; and
2. Either directly contributing or has a reasonable expectation that another entity in the downstream chain of resellers directly contributes to the federal universal service support mechanisms on the assessable portion of revenue from offerings that incorporate the purchased services.

Each of these conditions must be met if you intend to report your revenues from other carriers as reseller revenue in Block 3 of the FCC Form 499-A, excluding that revenue from your universal service contribution base.

E-File Tips

Service providers with access to E-File can view their invoice prior to receiving their paper copy of the invoice. On or around the 15th of every month, an email will be sent stating that the invoices are ready to view.

To do this, log in to E-File, select **Payments**, then, in the **Select Payment View** box, select **Invoices**. A list of invoices will be displayed. Select the invoice you would like to view by clicking the PDF icon under the **View** column.

Training Announcements

The FCC Form 499 team hosts training webinars each quarter. Registration is required; visit the [Webinars](#) page to register. All webinars below are at 2 p.m. ET.

- New 499 Filer ID Basics Training – April 5, 2023
- Office Hours: Filling Out an FCC Form 499-Q – April 6, 2023
- E-File Contributor Messages – May 3, 2023*
- E-File Contributor Messages – May 4, 2023*
- New 499 Filer ID Basics Training – May 10, 2023
- Office Hours: What Happens After the FCC Form 499-A Deadline – May 11, 2023
- New 499 Filer ID Basics Training – June 7, 2023
- Office Hours: Common Audit Findings – June 8, 2023

***Note:** The two E-File Contributor Messages webinars are identical sessions.

Second Quarter 2023 Contribution Factor Decreases to 29.0 Percent

The FCC released a Public Notice: [DA 23-216](#) announcing that the universal service contribution factor for the second quarter (April – June) of 2023 will be .290 or 29.0 percent.

Need Help? Contact Us!

For questions about the Service Providers program, call (888) 641-8722 or email customersupport@usac.org.

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