



USAC

498/499 Spotlight: Second Quarter 2024

April 15, 2024

Topics included in this newsletter:

- [May FCC Form 499-Q is due by May 1, 2024](#)
- [Annual Form Filing Now Past Filing Deadline](#)
- [Changes to Credit Balance Refund Requests](#)
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Report Projected Revenues on FCC Form 499-Q by May 1, 2024

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.

For calendar year 2024 the *de minimis* threshold is **\$41,841** for annual end user interstate and international telecommunication revenue. This threshold amount will remain constant for all of 2024.

Service providers that expect to remain *de minimis* and have already clicked the *de minimis* toggle button in E-File need not do anything further.

Revenue data is reported on the May FCC Form 499-Q as follows:

- Actual billed revenue from January 1 – March 31, 2023 on lines 115-118.
- Projected end-user revenue for July 1 – September 30, 2024 on lines 119 and 120.
 - Line 119 is used to estimate the company's gross billed end-user interstate and international telecommunications revenues for the upcoming quarter.
 - Line 120 is used to report how much of the revenue reported on Line 119 the company expects to collect.
 - Remember! This revenue represents only end-user telecommunications revenues. Do not estimate any wholesale/carrier's carrier revenues nor non-telecommunications revenues on these line numbers.

Be sure your email system allows messages from 'Form499@usac.org'. Once you've submitted your FCC Form 499-Q, USAC will check it for substantial increases or decreases and notify you via email of the variation, giving you a chance to correct the form before the revision deadline of June 17, 2024.

2024 FCC Form 499-A was Due April 1, 2024

The Federal Communications Commission (FCC) requires all telecommunications carriers and providers of telecommunications (including Voice-over-Internet-Protocol (VoIP) service providers) to annually report on the Telecommunications Reporting Worksheet (i.e., Form 499-A) the revenues they receive from offering service.

The 2024 FCC Form 499-A will report actual earned revenues for calendar year 2023.

If you have not filed the 2024 FCC Form 499-A, you must do so now.

Credit Balance Refunds Schedule Change

Effective March 21, 2024, USAC will process credit balance refunds (CBR) once per quarter. To be eligible for a refund in a specific quarter, USAC must have received the CBR request by the 10th of the months listed below. If the 10th falls on a weekend or holiday, USAC must have received the CBR request the prior business day.

Submission Deadline	Refund Processed In:
November 10	January
February 10	April
May 10	July
August 10	October

To learn more about Credit Balance Refunds, including how to file them, visit [our Credit Balance Refunds webpage](#).

How to Avoid Common Audit Findings

In USAC's continuing efforts to ensure carriers are successful at following FCC rules, we have put together a list of some of the most common problem areas identified during audits. Please see our webpage: [Common Audit Findings: Contributors](#).

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- Lifeline Program
- Rural Health Care Program
- E-rate Program
- PQA Program

Common Audit Findings: Contributors

In USAC's continuing efforts to ensure carriers are successful at following FCC rules, we have put together a list of some of the most common problem areas identified during audits.

For more information about the audit process, review the [BCAP page](#) of our website, which includes a [checklist](#) of documentation contributors should maintain for audit purposes. Using all of this information will help to expedite the audit process and should reduce or eliminate audit findings in the future.

Audit Findings

For specific areas of revenue reporting on the FCC Form 499-A, we have outlined a description of the revenue reported, some common audit findings, and ways to prevent a finding like this in the future.

[Show All](#)

FINDING: Error in Categorizing Fixed Local/Long Distance Bundled Service Revenue on Lines 404.1 & 404.2

FINDING: Failure to Report Itemized State and Federal USF Surcharges as Revenue

E-File Tip: Secure Communication with USAC

Service providers with access to E-File should be using the Message Portal to send messages to USAC staff. The Message Portal allows for authorized E-File users to send secure messages to USAC.

From the main page, select the **'Message'** tab, and then click **'Compose'** to start your secure communication with USAC staff on a variety of topics.

Training Announcements

The FCC Form 499 team hosts training webinars each quarter. Registration is required and can be found on our [Webinars](#) webpage. All webinars below are at 2 p.m. ET.

- May 7, 2024 - New 499 Filer ID Basics
- May 8, 2024 - Office Hours: Post 499-A Processing
- June 4, 2024 - New 499 Filer ID Basics
- June 5, 2024 - Office Hours: Bulk Certify and Submit

Second Quarter 2024 Contribution Factor Decreases to 32.8 Percent

The FCC released a Public Notice: [DA 24-257](#) announcing that the universal service contribution factor for the first quarter of 2024 (April – June) will be .328 or 32.8 percent.

Need Help? Contact Us!

Call us at (888) 641-8722 or email customersupport@usac.org.

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