

FCC Form 499-Q *De Minimis* Notification Enhancement

Feature Overview
October 4, 2023



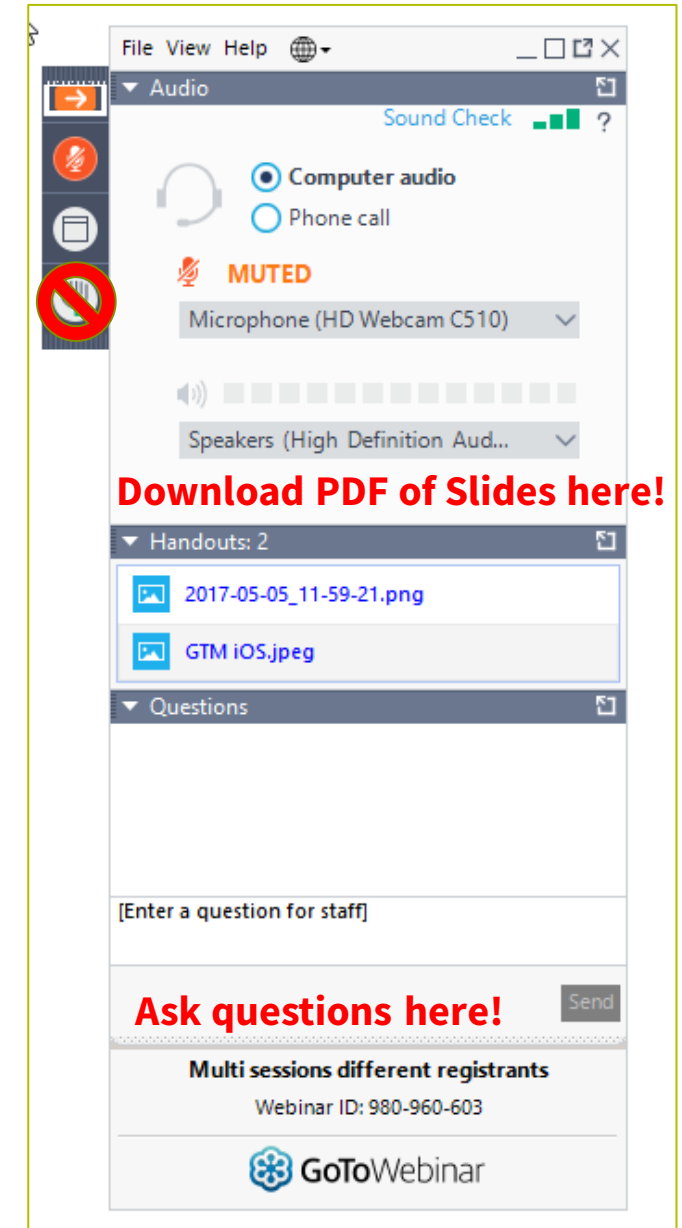
Universal Service
Administrative Co.

DISCLAIMER

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Housekeeping

- The audience will remain on mute.
- Enter questions at any time using the “**Questions**” box.
- If your audio or slides freeze, restart the webinar.
- A copy of the slide deck is in the “**Handouts**” section of webinar panel.
- This webinar is being recorded and a copy of the presentation will be on our website under Service Providers and “**Webinars**”.



Meet Our Team



Amy Kavelman

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Contributor Operations

Amy is a member of the 499 team that analyzes revenue reported on the FCC Form 499-A.

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Al Cipparone

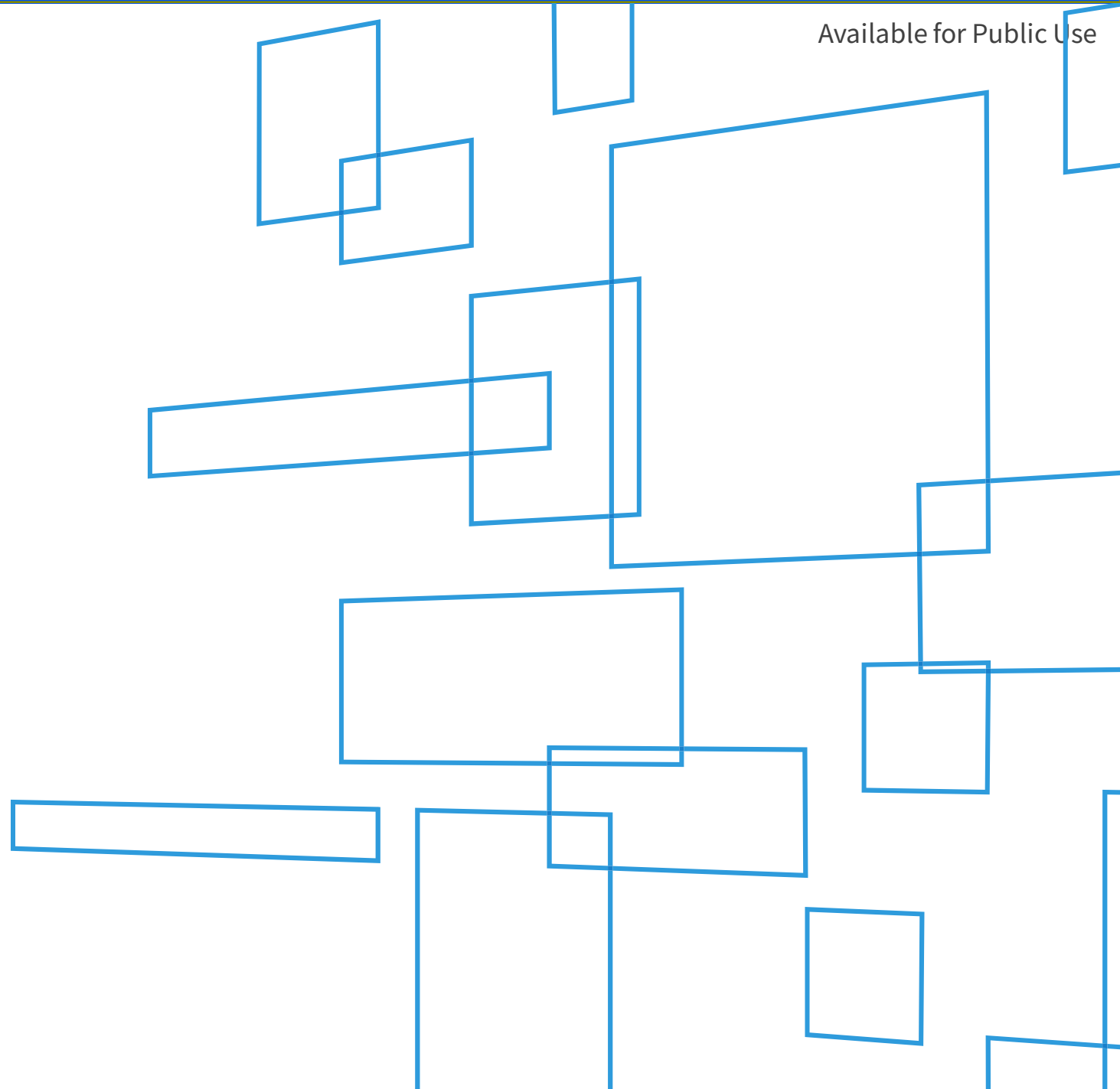
Senior Telecom Industry Analyst |
Contributor Operations

Al is a member of the 499 team. Al recently joined USAC after many years in telecommunications.

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Webinar Overview

In this webinar, we'll cover the new E-File *de minimis* notification feature.



Agenda

- *De Minimis* Overview
- Process for De Minimis Notifications
 - Prior Process
 - New Process
- Special Scenarios
- Questions

Overview of *De Minimis* Status

What is *de minimis* status?

- Service providers qualify for *de minimis* status if their calculated Universal Service Fund (USF) contributions are below \$10,000 for a given year.
- Each year's contributions are based on revenue reported on the FCC Form 499-A.
- *De minimis* service providers are exempt from **direct** contributions to the USF.

Overview of *De Minimis* Status

Key Obligations

- *De minimis* service providers are not required to submit FCC Forms 499-Q.
- However, USAC recommends that *de minimis* service providers notify USAC each quarter.
 - **Prior process:** Sending quarterly emails to USAC
 - **New process:** Indicating the status in E-File (usually once per year)

Prior Process: Quarterly Emails

- **Process:** A company user sent an email to Form499@usac.org on or before the 499-Q due date every quarter.
- **Example:**

From: Example Provider

Sent: July 1, 2023

To: Form499 <form499@usac.org>

Subject: Filing 499-Q – De Minimis Q3

Hello,

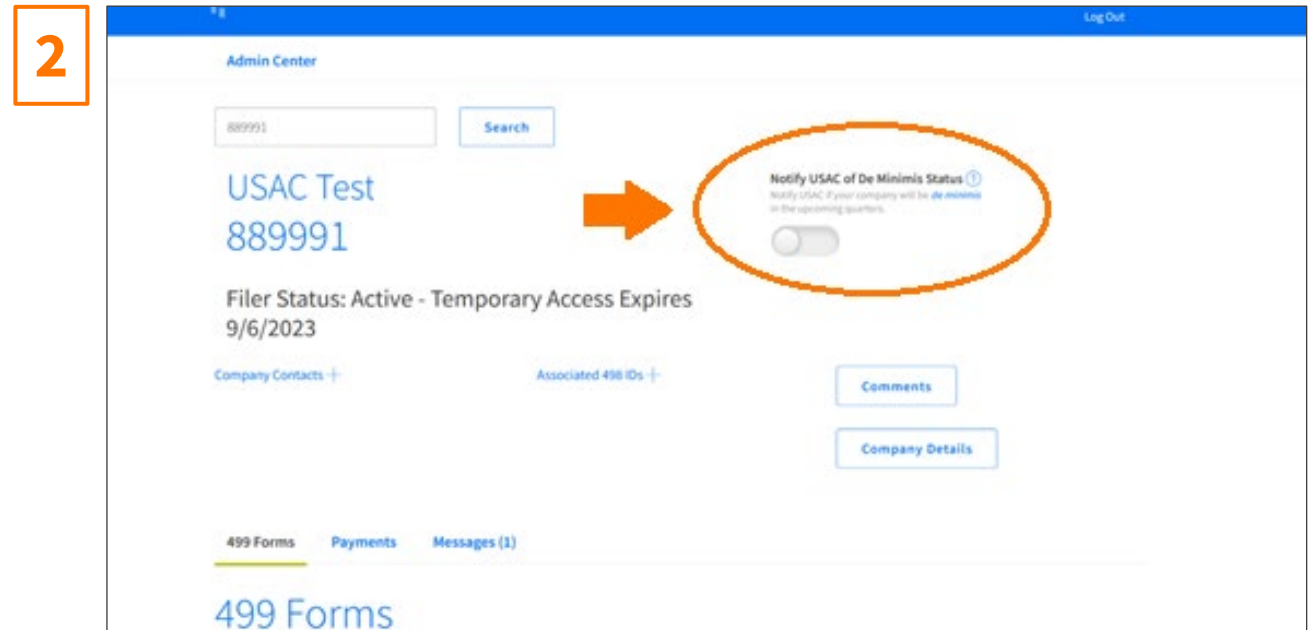
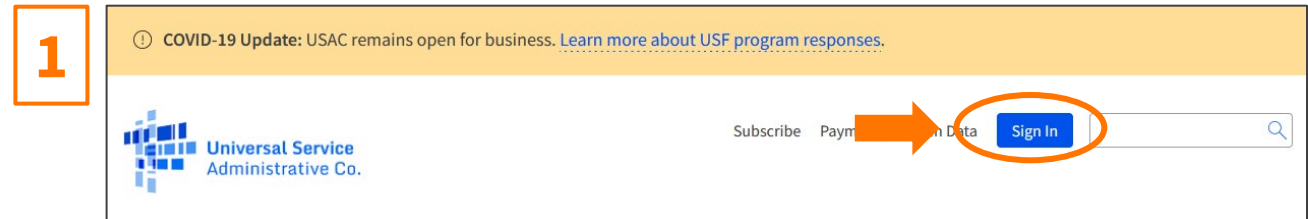
Our provider is expecting to be a de minimis filer for the upcoming quarter for the FCC Form 499-Q due on August 1, 2023.

Thank you,

New Process: Notification Button

- **Process:**

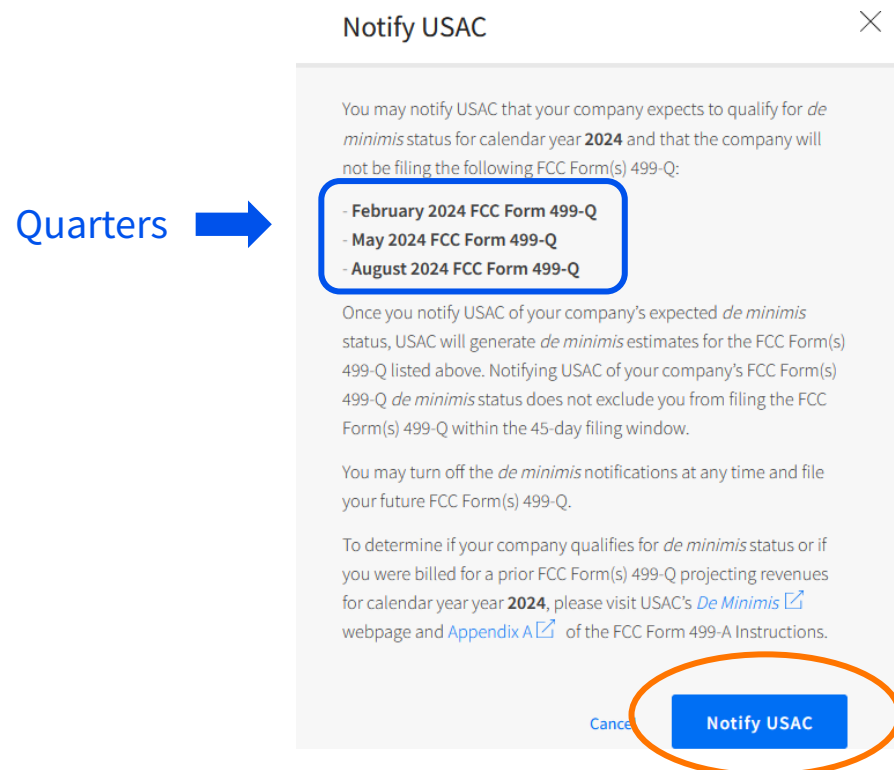
1. Sign into E-File.
2. Select the “Notify USAC of De Minimis Status” button.
3. Complete the confirmation popup.
(shown on next slide)
 - a) **Note:** USAC won’t receive any notifications until you click “Notify USAC” in the confirmation screen.



New Process: Confirmation Popups

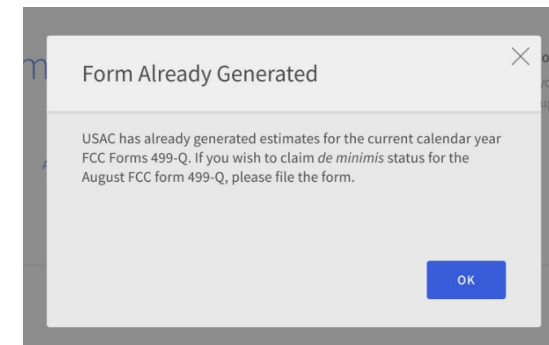
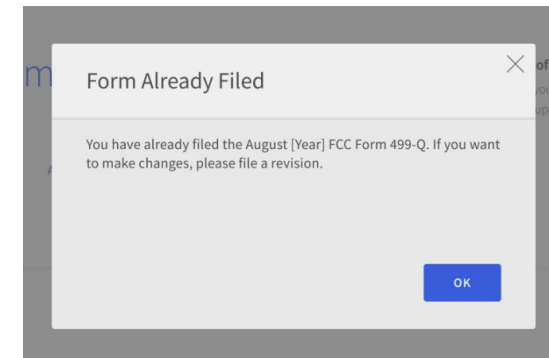
3 – Standard Confirmation

- In most cases, your notification will apply to multiple upcoming quarters. The confirmation screen will list the affected quarters:



3 – Alternatives

- In rare cases you may receive an alternate popup. This popup will inform you of your next steps.



New Process: Filing Dates

- Every year, your status will reset on October 1.
- The deadlines to notify USAC that you will not be filing each quarter's FCC Form 499-Q are:
 - November form - Notify USAC on or before **November 1**
 - February form - Notify USAC on or before **February 1**
 - May form - Notify USAC on or before **May 1**
 - August form - Notify USAC on or before **August 1**

Special Scenarios

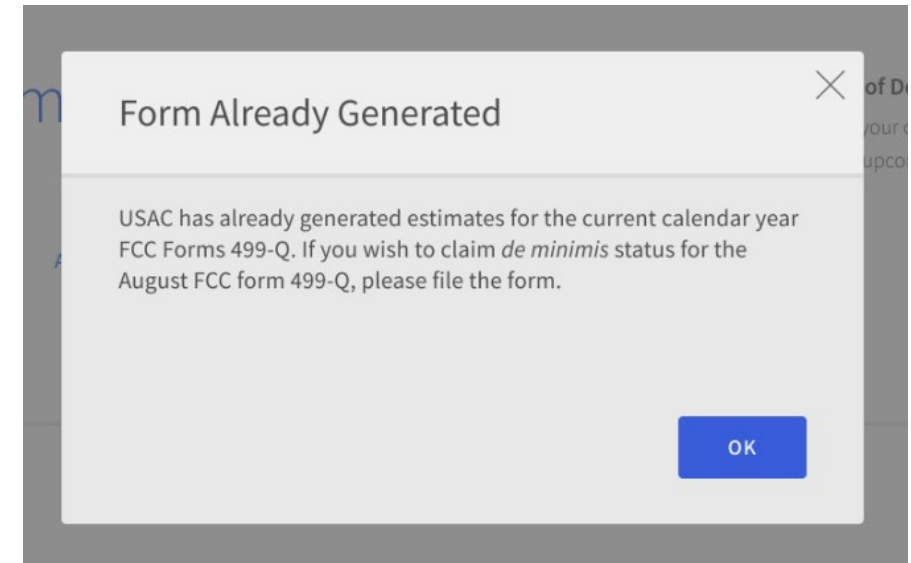
Special Scenarios

- For many *de minimis* service providers, you will use this notification feature once per year.
- However, some companies may have to change their status.
- We'll cover some common scenarios:
 1. Using the button after first quarter projections.
 2. Changing **to** *de minimis* status
 3. Changing **from** *de minimis* status

Scenario 1

Using the Notification Button *After* Quarterly Projections

- If you are late in using the notification button, USAC may have already generated projections for the upcoming quarter.
- You'll receive an alternate confirmation popup.
- To claim *de minimis* status for the quarter, please file the form.



Scenario 2

Changing to *de minimis* status

- At any point in the year, you can use the notification button to inform USAC that your company will have *de minimis* status for upcoming quarters.
- Use the process as described previously.
- **Note:** Your status will reset on October 1, regardless of when you first use the notification feature.

Scenario 3

Changing from *de minimis* status

- If you will not be *de minimis* for an upcoming quarter, log into E-File and deselect the notification button.
- As you are no longer *de minimis*, you must file an FCC Form 499-Q for this quarter.
- Use the Messages tab to contact USAC staff with any questions or clarifications about your status and obligations.

Questions?

Service Providers Customer Service Center (CSC)



Call us at (888) 641-8722

Monday – Friday 9 a.m. to 5 p.m. ET



Email: CustomerSupport@usac.org

- Include in your email
 - 498 ID/Service Provider ID Number (SPIN)
 - 499 Filer ID



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