



USAC

## 498/499 Spotlight: Fourth Quarter 2024

October 2, 2024

### Topics included in this newsletter:

- [E-File Enhancement: Online Billing Statements](#)
- [November FCC Form 499-Q is due by November 1, 2024](#)
- [Audit Topic: Reseller Information and Certificates](#)
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### E-File Enhancement: Online Billing Statements Now Available

USAC is excited to announce an E-File system update that makes more information available to USF contributors. New billing statements are now available that offer more flexibility and transparency in the billing process.

Highlights of the update include:

- Billing statements show up-to-date transaction activity, balances, and statuses for your company's receivables.
- Service providers can apply payments to specific statements if needed.
- USAC has discontinued sending monthly paper invoices. Information previously found in monthly invoices (such as a company's individual USF contribution calculations) is now available in E-File.

[Log in to E-File](#) and go to the **Payments** tab to access your billing statements.

Learn more about the updates by attending next week's walkthrough [webinars](#) on October 7 or 8, or by visiting the ["Making Payments" pages](#) on the USAC website.

### Report Projected Revenues on FCC Form 499-Q by November 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* for calendar year 2024 should use the *de minimis* notification button in E-File to indicate their status. Please see the "Reminder!" news item below for more information.

The *de minimis* threshold for calendar year 2025 will be updated when it becomes available.

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

- Actual billed revenue from July 1 – September 30, 2024 on lines 115-118.
- Projected end-user revenue for January 1 – March 31, 2025 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.

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 December 16, 2024.

## Audit Finding: Insufficient Reseller Information and Certificates

### Description of Finding

One of our most common audit findings is that the carrier does not submit the required information about their resellers.

### How to Address or Prevent this Finding

Since having a Filer ID is essential to filing an FCC Form 499, you cannot credibly establish that the customer is a direct universal service fund contributor if that customer is not filing the FCC Form 499.

In addition, you need the following information about your resellers:

- 499 Filer ID
- Legal name
- Legal address
- Name of contact person
- Phone number of contact person
- Annual certification by the reseller regarding its reseller status (see below)

### Annual Certification

A filer may demonstrate that it had and has a reasonable expectation that a particular customer is a reseller with respect to purchased service(s) by providing a certificate signed each calendar year by the customer that:

- Specifies which services the customer is or is not purchasing for resale pursuant to the certificate; and
- Has wording consistent with the following language, which comes from the 2024 instructions, page 40:
  - *I certify under penalty of perjury that the company is 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 Voice over Internet Protocol services. I also certify under penalty of perjury that the company either directly contributes 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 revenues from offerings that incorporate the purchased services.*

If your company is audited, we will expect to see these certification documents. Be sure to keep them on file for at least five years. If you are missing certificates for companies you reported as resellers with revenue reported in Block 3, that revenue will be moved to Block 4, and the company will be reclassified as an end user.

Service Specific Certificates must also be service specific. In the [FCC Form 499-A instructions](#), there are examples of how to make certificates service-specific:

- Entity-Level: that all services purchased by the customer are or will be purchased for resale pursuant to the certificate.
- Account-Level: that all services associated with a particular billing account — the account number for which the customer shall specify — are or will be purchased for resale pursuant to the certificate.
- Service-Specific: that individual services specified by the customer are or will be purchased for resale pursuant to certification; or
- Exception-Specific: that all services except those specified either individually or as associated with a particular billing account, are or will be purchased for resale pursuant to the certificate. The certificate shall specify the account number(s) of specific customers included in the exception.

### FUSF Reseller Certification Template

USAC has provided a [FUSF Reseller Certification Template](#) for filers to use.

### Specific Time Period

All certificates should be obtained on an annual basis. They must state the calendar year that the certificate covers and must be signed before the filer submits the FCC Form 499-A.

## Reminder! *De Minimis* Filer Notification

Service providers are reminded to review and notify USAC of their *de minimis* filing status for the upcoming calendar year 2025. Service providers now indicate *de minimis* status in E-File with a click of the “*De Minimis*” button on their FCC Form 499 home page in E-File.

Service providers qualify for [de minimis](#) status for a given calendar year when the revenue reported on their corresponding FCC Form 499-A is such that the calculated annual contribution to the federal Universal Service Fund (USF) is less than \$10,000. *De minimis* service providers are exempt from direct contributions to the USF, and are not required to file quarterly FCC Forms 499-Q.

**Important:** This feature will not affect how the *de minimis* status is determined.

## E-File Tip

Company Officers should verify that the authorized users assigned to the 499 Filer ID are still valid.

While logged in to E-File, click the down arrow next to the username in the upper right-hand corner. From the drop-down menu, select ‘**Add/Remove Users**’. The next screen will display all active users associated with the 499 Filer ID, both Company Officers and Preparers. If any user access should be removed, click the ‘**Remove**’ box next to the name, and then select ‘**Save**’ at the bottom of the screen.

## 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.

- October 7, 2024 - E-File Payments System Changes
- October 8, 2024 - E-File Payments System Changes
- October 9, 2024 - Office Hours: How To Fill Out an FCC Form 499-Q

- October 15, 2024 - (*New Series!*) Revenue Reporting for VoIP Resellers
- October 17, 2024 - New 499 Filer ID Basics
- November 4, 2024 - New 499 Filer ID Basics
- November 8, 2024 - Office Hours: Traffic Studies
- November 12, 2024 - (*New Series!*) Revenue Reporting for VoIP Resellers
- December 10, 2024 - New 499 Filer ID Basics
- December 11, 2024 - Office Hours: Reseller Certificates

## Fourth Quarter 2024 Contribution Factor Increases to 35.8 Percent

The FCC released a Public Notice: [DA 24-924](#) announcing that the universal service contribution factor for the fourth quarter of 2024 (October – December) will be .358 or 35.8 percent.

### Need Help? Contact Us!

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

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