February 25, 2013

**Federal Communications Commission**

**Explanation of Non-Substantive Changes to OMB Control Number: 3060-0855:**

* Instructions to FCC Form 499-A
* Instructions to FCC Form 499-Q

**Purpose of this Submission:** This submission is being made for proposed non-substantive revisions to an existing information collection pursuant to 44 U.S.C. § 3507. This submission seeks to revise the accompanying instructions to FCC Form 499-A and FCC Form 499-Q. On November 23, 2012, the Commission issued a Public Notice seeking comment on the proposed revisions (DA 12-872). In response to the comments received, the Commission further revised the accompanying instructions to FCC Form 499-A and FCC Form 499-Q.

**Summary of Proposed Revisions to Form 499-A Instructions**

* **Mergers:** Page 8 of the Form 499-A Instructions was revised to clarify the procedures for entities that cease operation during the filing period. We added the following language: “the successor must include the previous calendar year revenues of the now-defunct entity with its own Worksheet. Thus, …” On page 9, to further clarify the obligation, we deleted the following language: “If the acquired company does not file its own FCC Form 499-A to report revenues for the previous calendar year, the successor must include the previous calendar year revenues of the now-defunct entity with its own Worksheet.”
* **Subscriber Line Charges and Exchange Access Service:**  In the *USF/ICC Transformation Order* (26 FCC Rcd 17663), the Commission allowed incumbent local exchange carriers (LECs) to charge an access recovery charge (ARC) on wireline telephone service to partially offset intercarrier compensation revenue declines resulting from the transition of certain switched access rates adopted as part of the comprehensive intercarrier compensation reform. The Form 499-A Instructions were revised at page 15 (Line 404) to clarify that interconnected VoIP providers not reporting based on the safe harbor that bundle fixed local exchange service with interstate toll services at a unitary price must determine the appropriate portion of revenues to allocate to interstate and international toll service, in a manner consistent with their supporting books of accounts and records. The Form 499-A Instructions were revised at page 16 (Line 405) to clarify that federal line charges are separate from toll revenues, and correspond to the revenues received by incumbent telephone companies to recover the cost of networks that allow customers to originate and terminate interstate calls. In addition, we included the following language to further clarify the procedures: “Telecommunications providers that do not have SLC, ARC or PICC tariffs on file with the Commission or with a state utility commission, that are not reselling such tariffed charges, or that do not have separately stated charges for the interstate portion of fixed local exchange service or interstate exchange access should report $0 on Line 405.”
* **Special Access on Common Carrier Basis.** Footnote 44 on page 17 of the Form 499-A Instructions was revised to state that “providers may report revenues from special access services provided on a common carrier basis consistent with their reliance on reseller certifications based on the sample reseller certification language in the 2012 Form 499-A Instructions.”
* **“Reseller” Sample Certification Language:** Consistent with the recently adopted *2012 Wholesaler-Reseller Clarification Order* (FCC 12-134), pages 22-23 of the Form 499-A Instructions were revised to clarify that providers may rely on reseller certificates that are consistent with the sample language contained in the 2012 FCC Forms 499 instructions, and to remove sample certification language. Footnote 56 was also revised to include a cite to the *Universal Service Order*.

**Summary of Proposed Revisions to Form 499-Q Instructions**

* **Subscriber Line Charges and Exchange Access Service:** Page 14 of the Form 499-Q Instructions was revised to clarify the allocation of revenues for non-traffic sensitive charges. The text previously read as follows: “To the extent that contributors recover a non-traffic sensitive charge for the interstate portion of costs for providing interstate or interstate access service from their customers through a subscriber line charge or access recovery charge…” Now reads as follows: “To the extent that contributors recover a non-traffic sensitive charge for the interstate portion of fixed local exchange service or for providing interstate or interstate access service from their customers through a subscriber line charge or access recovery charge…” Footnote 29 was revised to include a cite to the *Universal Service Order*.

**Line By Line Changes:** Line by line changes to the FCC Form 499-A instructions and FCC Form 499-instructions are shown in the attached documents.