



PUBLIC NOTICE

Subject: South Carolina State Universal Service Fund (USF)
State USF Contribution Factor for the calendar year 2017

Effective Date: **January 1, 2017**

As administrator of the State USF, the Office of Regulatory Staff (ORS) must annually determine the level of contributions required and assess the contributing carriers to meet the needs of the State USF.

Commercial Mobile Radio Services providers (CMRS): S.C. Code Section 58-9-280 (E)(2)(a) For CMRS providers, the ORS shall certify to the South Carolina Department of Revenue (DOR) the USF factor and the amounts to be assessed. The monthly USF contribution must be remitted to the DOR. Effective January 1, 2017, the USF contribution factor is 1.85%.

Prepaid Wireless Sellers: Prepaid Wireless Seller contributions to the USF will be handled in a manner similar to that for contributions to 911 found in S.C. Code Section 23-47-68.

S.C. Code Section 58-9-280 (E)(2)(d) Effective January 1, 2017, the USF contribution charge per retail transaction is \$ 0.50. The collected USF contributions will be remitted to the DOR (less a 3% administrative fee that may be retained by the prepaid wireless seller). The prepaid wireless seller shall complete DOR Form ST-406.

Telephone Utilities: S.C. Code Section 58-9-280(E)(2)(a) Effective January 1, 2017, the USF contribution factor is 1.85%. Telephone utilities with a certificate of public convenience and necessity shall continue to remit USF contributions to the ORS.

The Public Service Commission of South Carolina's guidelines allow a carrier contributing to the USF to flow through its obligations to retail end-users at a rate not to exceed the contribution factor.

The new factor will become effective and may be assessed on retail end-user billings rendered on or after January 1, 2017.

If you have any questions concerning the calculation of the USF contribution factor, please contact Jim McDaniel of the ORS at (803)737-0812. For questions regarding remittance to the DOR, please email questions to SalesandUseTax@dor.sc.gov.