

What does a company need to do to remit the 911 emergency surcharge?

The South Dakota Department of Public Safety will mail out an identification record form and a remittance coupon to all known prepaid wireless service providers. If a service provider does not receive a remittance coupon or the identification record form, they can be downloaded at www.oem.sd.gov. The identification record form should be returned to:

**SD Department of Public Safety
Office of Emergency Management
118 West Capitol Avenue
Pierre, SD 57501**

Where does a company send its remittance of the 911 emergency surcharge?

Prepaid wireless telecommunications service providers will mail the coupon and remittance payable to "SD State Treasurer" to:

**South Dakota Remittance Center
PO Box 5055
Sioux Falls, SD 57117-5055**

No other taxes to the State of South Dakota should be included in the 911 emergency surcharge remittance.

Telecommunications service or wireless telecommunications service will continue to remit the 911 emergency surcharge to the "governing body" to which they are currently remitting the surcharge.

Definitions included in SDCL 34-45:

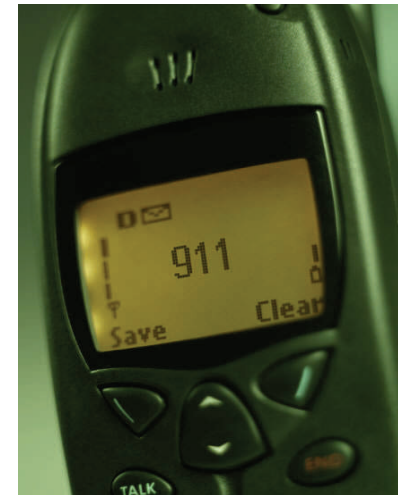
"Prepaid wireless telecommunications service," any wireless telecommunications service that is activated in advance by payment for a finite dollar amount of service or for a finite number of minutes that terminate either upon use by any person or within a certain period of time following the initial purchase or activation, unless an additional payment is made.

"Service provider," any person or entity providing, offering to provide, or selling telecommunications service, wireless telecommunications service, prepaid wireless telecommunications service, or Interconnected Voice over Internet Protocol service.

"Telecommunications service," the transmission of signs, signals, writings, images, sounds, messages, data, or other information of any nature by wire, radio, lightwave, electromagnetic means, or other similar means. The term does not include the provision of terminal equipment used to originate or terminate such service, broadcast transmissions by radio, television, and satellite stations regulated by the Federal Communications Commission and one-way cable television service.

"Wireless telecommunications service," commercial mobile radio service, as such term is defined in 47 C.F.R. 203 as of January 1, 2008.

South Dakota 911 Surcharge Changes for Prepaid Wireless Service Providers



South Dakota Department of Public Safety
Office of Emergency Management
118 West Capitol Avenue
Pierre, SD 57501
605.773.3231

In February 2008, South Dakota Governor M. Michael Rounds signed into law an act to revise certain provisions regarding collection and administration of the 911 emergency surcharge and operation of 911 services. The act updates SDCL 34-45 and accomplishes the following:

- Requires all public safety answering points (PSAPs) in South Dakota to provide enhanced 911 service by July 1, 2010;
- Creates the South Dakota 911 Coordination Board and gives the board rule-making authority to set standards for the operation of PSAPs;
- Updates 911 statutes to include new and emerging communications technology; and
- Provides for a surcharge on prepaid wireless services.

As a result of these changes, several communications and technology companies providing service in South Dakota may now be required to collect and remit a 911 emergency surcharge. This informational brochure will assist you in complying with SDCL 34-45.

When does a company remit the surcharge?

Surcharge amounts collected will be remitted on a quarterly basis and are due the 30th of the month following the quarter. The first quarter begins July 1, 2008. The remittance is due October 30, 2008.

Who has to collect and remit the 911 emergency surcharge?

Any telecommunications service provider, wireless telecommunications service provider, Interconnected Voice over Internet Protocol service provider, or prepaid wireless telecommunication service provider shall collect and remit the applicable 911 emergency surcharge.

What is the amount of the surcharge?

Active prepaid wireless telecommunications service user accounts meeting the definition of (a) or (b) below will be assessed a seventy-five cent 911 emergency surcharge monthly. Those accounts meeting the definition of (c) below will be assessed a 911 emergency surcharge equal to 2% of the retail sale at the time of purchase.

What is an "active prepaid wireless telecommunication service user account?"

An active prepaid wireless telecommunication service user account is a prepaid wireless service account:

- (a) Which has a sufficient positive balance as of the last day of any month and is issued to a person who resides in a zip code, or purchases the service, within the state; or
- (b) As estimated by dividing the total earned prepaid wireless telecommunications service revenue received by the service provider within the monthly reporting period by the industry's annually calculated average revenue per user as cited in the FCC's Annual Report and Analysis of Competitive Market Conditions With Respect to Commercial Mobile Services as required under 47 U.S.C. 332(c)(1)(C); or
- (c) Which is a retail sale by a prepaid wireless telecommunications service provider to a service user in the state.

Are there any allowable administrative cost deductions?

The service provider may deduct and retain one percent of the collected amount or twenty-five dollars, whichever amount is greater, each month as the cost of administration for collecting the charge.

A question not answered?

Contact the South Dakota Office of Emergency Management at 605.773.3231.