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**Georgia Department of Revenue**  
**Policy Bulletin FET-2018-01**  
**December 11, 2018**  
**Non-prepaid 911 Charge and Prepaid Wireless 911 Charge**

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**Purpose:** This Policy Bulletin provides guidance on Georgia's non-prepaid 911 charge and prepaid wireless 911 charge and supersedes the guidance entitled Prepaid Wireless 9-1-1 Charge.

**Publication Date:** December 11, 2018

**Authority:** O.C.G.A. §§ 38-3-185, 38-3-188, 46-5-134, 46-5-134.2, 48-2-7.

**Scope:** A Policy Bulletin is intended to provide guidance to the public and to Department personnel. It is a written statement issued to apply principles of law to a specific set of facts or a general category of taxpayers, superseding all conflicting documents and oral directives previously issued by the Department. A Policy Bulletin does not have the force or effect of law and is not binding on the public. It is, however, the Department's position and is binding on agency personnel until superseded or modified by a change in statute, regulation, court decision, or subsequent Policy Bulletin.

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*Prepaid Wireless 911 Charge*

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**Discussion of Issues:**

***Non-prepaid 911 Charge***

**1. What is the non-prepaid 911 charge?**

The non-prepaid 911 charge is a \$1.50 monthly charge on non-prepaid wireline, wireless, and voice over internet protocol (VOIP) telephone services. Telephone service suppliers currently collect the charge from their customers and report and remit it directly to public safety answering points (PSAPs) in Georgia.

**2. Is the non-prepaid 911 charge changing?**

Yes. Beginning with non-prepaid 911 charges that are collected on or after January 1, 2019, telephone service suppliers will no longer report and remit the charges to PSAPs. Rather, service suppliers will report and remit non-prepaid 911 charges to the Georgia Department of Revenue.

**3. How do service suppliers register to report and remit the charge?**

Each service supplier that collects non-prepaid 911 charges must register for a non-prepaid 911 charge account on the [Georgia Tax Center](#) (GTC) through which it will report and remit the charges. Each account can be associated with only one federal employer identification number (FEIN). A service supplier must register for a sales tax number before it can apply for a non-prepaid 911 charge account. Account registration on GTC will be available after January 1, 2019.

**4. How do service suppliers report and remit the non-prepaid 911 charge?**

Telephone service suppliers will report and remit non-prepaid 911 charges to the Department through GTC. The returns and collected charges will be due on the 20<sup>th</sup> day of each month following the month of collection.

Telephone service suppliers are required to report the amount of charges collected for each telephone service type (i.e., wireline, wireless, or VOIP) attributable to each county or municipality that operates a PSAP.

**5. Are any telephone services exempt from the non-prepaid 911 charge?**

Yes. All telephone services billed to federal, state, or local governments are exempt.

**6. Are telephone service suppliers required to report exempt telephone services?**

Yes.

**7. Are telephone service suppliers allowed vendor's compensation?**

Yes. If the return is filed timely and the charge is remitted timely, the service suppliers' compensation is 1% of the charge remitted.

**8. Are telephone service suppliers allowed to charge a cost recovery fee?**

Yes. A service supplier may recover its costs expended on the implementation and provision of 911 services to subscribers by imposing a cost recovery fee not to exceed 45 cents per month or including such costs in existing cost recovery or regulatory recovery fees billed to the subscriber. Telephone service suppliers are prohibited from deducting the cost recovery fee from non-prepaid 911 charges or prepaid wireless 911 charges.

**9. How will the Department disburse the charges?**

Every month, the Department will pay 1% of the remitted charges to the general fund of the state treasury and 1% of the remitted charges to the Georgia Emergency Communications Authority (GECA). The Department will then disburse the remaining charges every month to qualifying counties and cities that operate or contract for the operation of a PSAP. The Department will disburse directly to each jurisdiction the amount of non-prepaid 911 charges reported by service suppliers as designated to that jurisdiction. The counties and cities are required to deposit the charges in a separate restricted fund known as the Emergency Telephone System Fund.

*Prepaid Wireless 911 Charge*

**1. What is the prepaid wireless 911 charge?**

The prepaid wireless 911 charge is a charge on the retail sale of prepaid wireless telephone service. All retail sellers of prepaid wireless telephone service must collect the charge and report and remit the charge through GTC.

**2. What is prepaid wireless telephone service?**

For purposes of this bulletin, “prepaid wireless telephone service” is a wireless telecommunications connection for which the customer pays in advance. Examples include:

- calling or usage privileges, based on a set dollar amount, minutes or units of air time, included with the purchase of a cellular phone;
- recharging a reusable cellular phone with additional minutes or units of air time;
- cellular phone calling cards that are preloaded with a set dollar amount, minutes, or units of air time; and
- recharging a reusable cellular phone calling card.

**3. Is the prepaid wireless 911 charge changing?**

Yes. Effective January 1, 2019,

- the prepaid wireless 911 charge is increasing from 75 cents to \$1.50 per wireless telephone service;
- sellers are required to report and remit the charge electronically on GTC; and
- the Department will disburse the charges to local governments on a monthly, rather than an annual, basis.

**4. How do sellers register to collect and remit this charge?**

Sellers of prepaid wireless telephone service at retail must register for a prepaid wireless 911 charge account on GTC through which they will report and remit the charges. Sellers must register for a sales tax number before they can apply for a prepaid wireless 911 charge account.

**5. How do sellers report and remit the charge?**

Sellers will report and remit prepaid wireless 911 charges to the Department through GTC.

The filing frequency is the same as the filing frequency for the seller's master sales and use tax account, if the seller has a master account. If the seller has more than one location but no master account, then the filing frequency is the same as that of the seller's location that files most frequently. For most filers, the prepaid wireless 911 returns and collected charges will be due on the 20<sup>th</sup> day of each month following the month of collection.

**6. Are sellers allowed vendor's compensation?**

Yes. If the return is filed timely and the charge is remitted timely, the vendor's compensation is 3% of the charge remitted.

**7. Are any prepaid wireless transactions not subject to the charge?**

If the prepaid wireless service is 10 minutes or less or \$5.00 or less and is sold with a prepaid wireless device for a single, non-itemized price, then the seller may elect not to apply the charge to the transaction.

In addition, if the prepaid wireless service is 10 minutes or less or \$5.00 or less and is separately priced and sold as part of a single retail transaction that does not contain a prepaid wireless device or another prepaid wireless service, then the seller may elect not to apply the charge to the transaction.

Further, in the case of transactions where prepaid wireless services are provided to qualifying low-income subscribers free of charge, there is no retail transaction between a seller and a consumer, and, accordingly, such transactions are not subject to the charge.

**8. How will the Department disburse the charges?**

Every month, the Department will pay 1% of the remitted charges to the general fund of the state treasury and 1% of the remitted charges to GECA. The Department will then disburse the remaining charges every month to qualifying counties and cities that operate or contract for the operation of a PSAP according to the population of each county and city. The Georgia Office of Planning and Budget will annually certify the population data to the Department.

The counties and cities are required to deposit the charges in a separate restricted fund known as the Emergency Telephone System Fund.

**For more information, please contact the Department at 1-877-423-6711  
from 8:00 a.m. to 4:30 p.m. ET, Monday through Friday, excluding holidays.  
For forms and other information, visit the Department's website at [dor.georgia.gov](http://dor.georgia.gov).**