



Federal Communications Commission  
Washington, D.C. 20554

August 17, 2012

DA 12-1355

## Small Entity Compliance Guide

### Assessment and Collection of Regulatory Fees for Fiscal Year 2012

Report and Order  
MD Docket No. 12-116

**This Guide is prepared in accordance with the requirements of Section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996. It is intended to help small entities—small businesses, small organizations (non-profits), and small governmental jurisdictions—comply with the new rules adopted in the above-referenced FCC rulemaking docket. This Guide is not intended to replace the rules and final authority rests solely with the rules.**

**As provided in section 212(c) of the Small Business Regulatory Fairness Act, Public Law 104-121, Mar. 29, 1996, in any civil or administrative action against a small entity for a rule violation, the content of the Small Entity Compliance Guide may be considered as evidence of the reasonableness or appropriateness of any proposed fines, penalties or damages. The FCC may revise this Guide without public notice to clarify or update its contents.**

**For further information on regulatory fee issues, please contact the Commission's Financial Operations Help Desk at (877) 480-3201, Option 4, or email your inquiries to [ARINQUIRIES@FCC.GOV](mailto:ARINQUIRIES@FCC.GOV). For information on other matters, please contact the FCC's Consumer Center at 1-888-CALL-FCC (1-888-225-5322), TTY: 1-888-TELL-FCC (1-888-835-5322), FAX: 1-866-418-0232, [fccinfo@fcc.gov](mailto:fccinfo@fcc.gov)**

## **Assessment and Collection of FY 2012 Regulatory Fees**

Section 9 of the Communications Act of 1934 (the Act), as amended, requires the Commission to assess and collect regulatory fees to recover the costs associated with the Commission's enforcement, policy and rulemaking, user information, and international activities. Most Section 9 regulatory fees are assessments that are paid annually, which for FY 2012 are due no later than September 13, 2012. There is an exception to this due date for a component of Section 9 regulatory fees involving small wireless services. These service licensees are required to make payment of all regulatory fees up front for the entire term of their licenses, as described below. For these small wireless service licensees, regulatory fees are due at the time a new license is obtained or renewed.

Full information about FY 2012 regulatory fees and who is obligated to pay is contained in the Commission's Report and Order on Regulatory Fees for FY 2012, cited at the end of this Guide. Because the rules and requirements contained in the Report and Order are binding on all regulatory fee payors, the Commission strongly encourages all small entities to familiarize themselves with the contents of the Report and Order and with the rest of the documents listed at the end of the Guide. Below is a summary of who should pay regulatory fees by service category:

### **Payment of Regulatory Fees**

- **Media Services:** Regulatory fees must be paid for initial construction permits that were granted on or before October 1, 2011 for AM/FM radio stations, VHF/UHF television stations, and satellite television stations. Regulatory fees must be paid for all broadcast facility licenses granted on or before October 1, 2011. In instances where a permit or license is transferred or assigned after October 1, 2011, responsibility for payment rests with the holder of the permit or license as of the fee due date. Because the digital transition on June 12, 2009 eliminated the distinction between digital and analog full-service television stations, all full-service television stations are assessed a regulatory fee, and the "digital-only" exemption is no longer applicable.
- **Wireline (Common Carrier) Services:** Regulatory fees must be paid for authorizations that were granted on or before October 1, 2011. In instances where a permit or license is transferred or assigned after October 1, 2011, responsibility for payment rests with the holder of the permit or license as of the fee due date.
- **Wireless Services:** For Commercial Mobile Radio Service (CMRS) cellular, mobile, and messaging services fees based upon a subscriber, unit or telephone number, regulatory fees must be paid for authorizations that were granted on or before October 1, 2011. The number of subscribers, units or telephone numbers on December 31, 2011 should be the basis upon which to calculate the fee payment.
- **Small Wireless Services:** The first eleven regulatory fee categories in our Schedule of Regulatory Fees (see below) pay what we refer to as "small multi-year wireless regulatory fees." Entities pay these regulatory fees in advance for the entire amount of their five-year or 10-year term of initial license, and only pay regulatory fees again for the license at the time of its next renewal. The Commission includes these eleven categories in our Schedule

of Regulatory Fees to publicize the fee amounts for each year; however, the Commission does not actually collect these fees from every licensee on an annual basis.

- Multichannel Video Programming Distributor Services (cable television operators and CARS licensees): Regulatory fees must be paid for the number of basic cable television subscribers as of December 31, 2011. Regulatory fees must also be paid for CARS licenses that were granted on or before October 1, 2011. In instances where a CARS license is transferred or assigned after October 1, 2011, responsibility for payment rests with the holder of the license as of the fee due date.
- International Services: Regulatory fees must be paid for earth stations, geostationary orbit space stations and non-geostationary orbit satellite systems that were licensed and operational on or before October 1, 2011. In instances where a permit or license is transferred or assigned after October 1, 2011, responsibility for payment rests with the holder of the permit or license as of the fee due date.
- International Services: Submarine Cable Systems: Regulatory fees for submarine cable systems are to be paid on a per cable landing license basis based on circuit capacity as of December 31, 2011. In instances where a license is transferred or assigned after October 1, 2011, responsibility for payment rests with the holder of the license as of the fee due date. For regulatory fee purposes, the allocation in FY 2012 will remain at 87.6 percent for submarine cable and 12.4 percent for satellite/terrestrial facilities.
- International Services: Terrestrial and Satellite Services: Finally, regulatory fees for International Bearer Circuits are to be paid by facilities-based common carriers that have active (used or leased) international bearer circuits as of December 31, 2011 in any terrestrial or satellite transmission facility for the provision of service to an end user or resale carrier, which includes active circuits to themselves or to their affiliates. In addition, non-common carrier satellite operators must pay a fee for each circuit sold or leased to any customer, including themselves or their affiliates, other than an international common carrier authorized by the Commission to provide U.S. international common carrier services. “Active circuits” for these purposes include backup and redundant circuits as of December 31, 2011. Whether circuits are used specifically for voice or data is not relevant for purposes of determining that they are active circuits. In instances where a permit or license is transferred or assigned after October 1, 2011, responsibility for payment rests with the holder of the permit or license as of the fee due date. For regulatory fee purposes, the allocation in FY 2012 will remain at 87.6 percent for submarine cable and 12.4 percent for satellite/terrestrial facilities.

### FY 2012 Schedule of Regulatory Fees

Regulatory fees for the first eleven categories below are collected by the Commission in advance to cover the term of the license and are submitted at the time the application is filed.

Fee Category	Annual Regulatory Fee (U.S. \$'s)
PLMRS (per license) (Exclusive Use) (47 CFR part 90)	35
Microwave (per license) (47 CFR part 101)	20
218-219 MHz (Formerly Interactive Video Data Service) (per license) (47 CFR part 95)	70
Marine (Ship) (per station) (47 CFR part 80)	10
Marine (Coast) (per license) (47 CFR part 80)	50
General Mobile Radio Service (per license) (47 CFR part 95)	5
Rural Radio (47 CFR part 22) (previously listed under the Land Mobile category)	15
PLMRS (Shared Use) (per license) (47 CFR part 90)	15
Aviation (Aircraft) (per station) (47 CFR part 87)	10
Aviation (Ground) (per license) (47 CFR part 87)	15
Amateur Vanity Call Signs (per call sign) (47 CFR part 97)	1.50
CMRS Mobile/Cellular Services (per unit) (47 CFR parts 20, 22, 24, 27, 80 and 90)	.17
CMRS Messaging Services (per unit) (47 CFR parts 20, 22, 24 and 90)	.08
Broadband Radio Service (formerly MMDS/ MDS) (per license) (47 CFR part 27)	475
Local Multipoint Distribution Service (per call sign) (47 CFR, part 101)	475
AM Radio Construction Permits	550
FM Radio Construction Permits	700
TV (47 CFR part 73) VHF Commercial	
Markets 1-10	80,075

<b>Fee Category</b>	<b>Annual Regulatory Fee (U.S. \$'s)</b>
Markets 11-25	73,475
Markets 26-50	39,800
Markets 51-100	20,925
Remaining Markets	5,825
Construction Permits	5,825
TV (47 CFR part 73) UHF Commercial	
Markets 1-10	35,350
Markets 11-25	32,625
Markets 26-50	21,925
Markets 51-100	12,750
Remaining Markets	3,425
Construction Permits	3,425
Satellite Television Stations (All Markets)	1,425
Construction Permits – Satellite Television Stations	895
Low Power TV, Class A TV, TV/FM Translators & Boosters (47 CFR part 74)	385
Broadcast Auxiliaries (47 CFR part 74)	10
CARS (47 CFR part 78)	475
Cable Television Systems (per subscriber) (47 CFR part 76)	.95
Interstate Telecommunication Service Providers (per revenue dollar)	.00375
Earth Stations (47 CFR part 25)	275
Space Stations (per operational station in geostationary orbit) (47 CFR part 25) also includes DBS Service (per operational station) (47 CFR part 100)	132,875
Space Stations (per operational system in non-geostationary orbit) (47 CFR part 25)	143,150
International Bearer Circuits - Terrestrial/Satellites (per 64KB circuit)	.26

Fee Category	Annual Regulatory Fee (U.S. \$'s)
International Bearer Circuits - Submarine Cable	See Table Below

**FY 2012 SCHEDULE OF REGULATORY FEES (continued)**

FY 2012 RADIO STATION REGULATORY FEES						
Population Served	AM Class A	AM Class B	AM Class C	AM Class D	FM Classes A, B1 & C3	FM Classes B, C, C0, C1 & C2
<=25,000	\$725	\$600	\$550	\$625	\$700	\$875
25,001 – 75,000	\$1,475	\$1,225	\$850	\$950	\$1,425	\$1,550
75,001 – 150,000	\$2,200	\$1,525	\$1,125	\$1,600	\$1,950	\$2,875
150,001 – 500,000	\$3,300	\$2,600	\$1,675	\$1,900	\$3,025	\$3,750
500,001 – 1,200,000	\$4,775	\$3,975	\$2,800	\$3,175	\$4,800	\$5,525
1,200,001 – 3,000,00	\$7,350	\$6,100	\$4,200	\$5,075	\$7,800	\$8,850
>3,000,000	\$8,825	\$7,325	\$5,325	\$6,350	\$9,950	\$11,500

**FY 2012 SCHEDULE OF REGULATORY FEES  
International Bearer Circuits - Submarine Cable**

Submarine Cable Systems (capacity as of December 31, 2011)	Fee amount	Address
< 2.5 Gbps	\$13,300	FCC, International, P.O. Box 979084, St. Louis, MO 63197-9000

<b>2.5 Gbps or greater, but less than 5 Gbps</b>	\$26,600	FCC, International, P.O. Box 979084, St. Louis, MO 63197-9000
<b>5 Gbps or greater, but less than 10 Gbps</b>	\$53,200	FCC, International, P.O. Box 979084, St. Louis, MO 63197-9000
<b>10 Gbps or greater, but less than 20 Gbps</b>	\$106,375	FCC, International, P.O. Box 979084, St. Louis, MO 63197-9000
<b>20 Gbps or greater</b>	\$212,750	FCC, International, P.O. Box 979084, St. Louis, MO 63197-9000

**Administrative and Operational Issues:**

In FY 2009, the Commission instituted a mandatory filing requirement using an electronic filing and payment system known as “Fee Filer.” The Commission will continue to use this system in FY 12. Regulatees filing their annual regulatory fee payments are required to begin the process by entering the Commission’s Fee Filer system with a valid FCC Registration Number (“FRN”) and password. This change, which requires regulatees to use Fee Filer for the *filing* of annual regulatory fees, not the *payment* of such regulatory fees, is beneficial to licensees because it eliminates the need to manually complete and submit a hardcopy Form 159, and having the data in electronic format makes it much easier for the Commission to process payments efficiently and effectively.

Fee payors are also reminded that in accordance with U.S. Treasury Financial Manual Announcement No. A-2012-02, the U.S. Treasury will reject credit card transactions greater than \$49,999.99 from a single credit card in a single day. This includes online transactions conducted via Pay.gov, transactions conducted via other channels, and direct-over-the counter transactions made at a U.S. Government facility. Individual credit card transactions larger than the \$49,999.99 limit may not be split into multiple transactions using the same credit card, whether or not the split transactions are assigned to multiple days. Splitting a transaction violates card network and Financial Management Service (FMS) rules. However, credit card transactions exceeding the daily limit may be split between two or more different credit cards. Other alternatives for transactions exceeding the \$49,999.99 credit card limit include payment by check, electronic debit from your bank account, and wire transfer.

### **Recordkeeping Requirements**

- Licensees are responsible for submitting all payments and payment documents accurately, and on a timely basis, including Remittance Form 159-E where applicable, to avoid processing delays.
- Licensees who claim exemption from regulatory fees because of non-profit status are required to have a current IRS Determination letter or equivalent on file with the Commission.
- In instances where a payment has not been accurately posted, the licensee has the responsibility to provide proof of regulatory fee payment, including but not limited to, copies of cancelled checks and a copy of Remittance Form 159-E.

### **Enforcement**

- To be considered timely, regulatory fee payments must be received and stamped at the lockbox bank by the due date of regulatory fees. Section 9(c) of the Act requires the Commission impose a late payment penalty of 25 percent of the unpaid amount to be assessed on the first day following the deadline date for filing of these fees. Failure to pay regulatory fees and/or any late penalty will subject regulatees to sanctions, including those set forth in section 1.1910 of the Commission's Rules and in the Debt Collection Improvement Act of 1996 ("DCIA"). Administrative processing charges are also assessed on delinquent debts to recover additional costs incurred in processing and handling the related debt pursuant to the DCIA and section 1.1940(d) of the Commission's Rules. These administrative processing charges will be assessed on any delinquent regulatory fee, in addition to the 25 percent late charge penalty. In case of partial payments (underpayments) of regulatory fees, the payor will be given credit for the amount paid, but if it is later determined that the fee paid is incorrect or not timely paid, then the 25 percent late charge penalty (and other charges and/or sanctions, as appropriate) will be assessed on the portion that is not paid in a timely manner.
- The Commission also assesses administrative processing charges on delinquent debts to recover additional costs incurred in processing and handling the related debt pursuant to the DCIA and 47 C.F.R. §1.1940(d) of the Commission's rules. These administrative processing charges will be assessed on any delinquent regulatory fee, in addition to the 25 percent late charge penalty. In case of partial payments (underpayments) of regulatory fees, the licensee will be given credit for the amount paid, but if it is later determined that the fee paid is incorrect or not timely paid, then the 25 percent late charge penalty (and other charges and/or sanctions, as appropriate) will be assessed on the portion that is not paid in a timely manner.
- The Commission will withhold action on any applications or other requests for benefits filed by anyone who is delinquent in any non-tax debts owed to the Commission (including regulatory fees) and will ultimately dismiss those applications or other requests if payment



of the delinquent debt or other satisfactory arrangement for payment is not made.<sup>1</sup> Failure to pay regulatory fees can also result in the initiation of a proceeding to revoke any and all authorizations held by the entity responsible for paying the delinquent fee(s).

### **Related Documents and Links**

Section 9 of the Communications Act, 47 U.S.C. § 159

*Assessment and Collection of Regulatory Fees for Fiscal Year 2012*, Report and Order, 77 FR 46307 (August 3, 2012).

Additional information on the Commission's regulatory fee program, including the following Public Notices and Fact Sheets, is available at:

<http://transition.fcc.gov/fees/regfees.html>

Public Notice: Payment Methods and Procedures for FY 2012 Regulatory Fees

Public Notice: FY 2012 Regulatory Fees Due No Later Than September 13, 2012, Eastern Time (ET)

Fact Sheet: What You Owe – Cable Television Systems—FY 2012

Fact Sheet: What You Owe – Media Services Licensees—FY 2012

Fact Sheet: What You Owe – Commercial Wireless Services—FY 2012

Fact Sheet: What You Owe – International and Satellite Services Licensees—FY 2012

Fact Sheet: What You Owe – Interstate Telecommunications Service Providers (ITSP)—FY 2012

Fact Sheet: FY 2012 Regulatory Fees – Submarine Cable Systems

Fact Sheet: Waivers, Reductions and Deferrals of Regulatory Fees—FY 2012

Fact Sheet: Regulatory Fee Exemptions—FY 2012

Fact Sheet: FCC Look-up Website for Media Services Licensees—FY 2012

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<sup>1</sup> See 47 C.F.R. §§ 1.1161(c), 1.1164(f)(5), and 1.1910.