



State of New Jersey

DEPARTMENT OF THE TREASURY
DIVISION OF TAXATION
PO Box 269
TRENTON NJ 08695-0269

NOTICE TO TELECOMMUNICATIONS PROVIDERS

9-1-1 Telecommunications Fee (P.L. 2004, c.48)
Effective July 1, 2004 for Mobile Telecommunications
Effective August, 1, 2004 for PBX Systems

Recently enacted legislation imposes a "9-1-1 System and Emergency Response Fee" of \$.90 to be charged by:

- (1) mobile telecommunications companies for each voice grade access service number as part of mobile telecommunications service provided to a customer billed by or for the customer's home service provider and provided to a customer with a place of primary use in this State, and
- (2) telephone exchange companies for each telephone voice grade access service line provided as part of that telephone exchange service.

Each Private Branch Exchange (PBX) trunk, or each Centrex trunk equivalent, constitutes an individual and separate subscribed service line. Any customer that has been determined by their carrier to be enrolled in the Lifeline Telecommunication program or to have received Lifeline Telecommunication or Universal Service Fund benefits for a periodic bill will be exempt from the fee on that periodic bill.

BILLING:

The law applies to bills issued for billing periods ending on or after July 1, 2004. However for PBX systems, Centrex systems or other similar telecommunications services, the law applies for bills issued for billing periods ending on or after August 1, 2004. The fee will be itemized and separately identified on each periodic billing statement as the "9-1-1 System and Emergency Response Fee" which may be abbreviated as "911 System/Emerg. Resp. Fee." The law allows the companies until October 1, 2004 to begin itemizing this fee. The first bill issued on or after that date is also to include the itemized fees for the three preceding months. The fee will be collected monthly and remitted to the Division of Taxation by the mobile telecommunications company or the telephone exchange company on a quarterly basis. Information on the method and manner of remittance will be provided as soon as it becomes available.

EXEMPTIONS:

The fee is not applicable to the Federal Government, its agencies, or instrumentalities. On and after January 1, 2005, the law provides an exemption for State, county and municipal governments and school districts from the fee imposed on telephone exchange services. However, there is no statutory exemption for mobile telecommunications service provided to State, county and municipal governments and school districts. A credit may be allowed for a telephone exchange company against its first quarter 2005 fee collections for the amount of reasonable costs incurred to implement this governmental exemption. Additional information regarding the credit will be supplied as soon as it becomes available.

Revenue collected pursuant to the fee will serve to replace the current 9-1-1 infrastructure Statewide with a state-of-the-art enhanced 9-1-1 system and will also be applied to pay for costs of funding the State's capital equipment, facilities and operating expenses that arise from emergency preparedness, emergency response training, counter-terrorism measures, security at State facilities including transportation infrastructure, preparation for first responders to chemical or bio-hazard emergencies, and any expenses of the Office of Emergency Management in the Division of State Police in the Department of Law and Public Safety.

If you determine that you are required to collect the 9-1-1 System and Emergency Response Fee as provided for under the provisions of P.L. 2004 Chapter 48, you must register with the Division by reporting that you are subject to collect the fee. You can do this online. If you are not already registered for New Jersey tax purposes you may register online at <https://www.state.nj.us/treasury/revenue/dcr/filing/leadpg.shtml> (Select "Register a Business for Tax and Employer Purposes"). Those who are already registered must update their registration information by reporting that they are eligible to collect the 9-1-1 System and Emergency Response Fee. They must go online to https://www1.state.nj.us/TYTR_REGC/jsp/OwnershipLogin.jsp. The business's online PIN, as listed in the Employer Quarterly Report (NJ-927), will be required. Call the Client Registration Bureau of the Division of Revenue at (609) 292-9292 for assistance with the PIN or other questions relating to registration.