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SPECIAL NOTICE

Changes to the Prepaid Wireless E 9-1-1 Fee

Purpose: This Special Notice updates the Prepaid Wireless E 9-1-1 Fee retailers of prepaid wireless telecommunications service must collect. This publication also distinguishes between prepaid wireless phone cards and “calling cards.”

Effective Date: Effective for transactions occurring on and after July 1, 2013.

Statutory Authority: Conn. Gen. Stat. §§ 28-30a, 28-30b, 28-30c, 28-30d, 28-30e, 28-30f.

Prepaid Wireless E 9-1-1 Fee Assessment: Each June, the Connecticut Public Utility Regulatory Authority (PURA) sets the amount of the fee that is assessed on sales to telecommunications service subscribers, which also applies to sales of prepaid wireless communications service. The fee that is effective for sales occurring on and after July 1, 2013 is \$0.70.

Prepaid wireless telecommunications service is a wireless telephone service that a consumer pays for in advance, that allows access to the E 9-1-1 system by dialing 9-1-1, and that is sold in predetermined units or dollars that decline with use (sometimes called “no contract plans”).

Prepaid wireless telecommunications service includes prepaid wireless phone cards, recharge or refill authorization codes, and prepaid cell phones or other prepaid wireless devices preloaded with airtime minutes.

Prepaid wireless telecommunications service **does not** include wireless telecommunications services not paid for in advance.

Prepaid wireless telecommunications service **does not** include “calling cards,” which are a prepaid method of making a long distance call where the card is used by calling a toll-free or local access number,

entering a “PIN” number, then entering the phone number of the person to be called. Calling cards can be used from a landline telephone or from a wireless telephone (for example, in order to avoid roaming charges of the wireless telecommunications provider).

Example 1: A retailer sells a consumer a card that provides 200 minutes of prepaid wireless telecommunications service. The retailer collects the Prepaid Wireless E 9-1-1 Fee of \$0.70 and remits the fee to the Department of Revenue Services (DRS).

Example 2: A retailer sells a consumer a calling card that provides 200 minutes of long distance communications service. The purchase is not subject to the Prepaid Wireless E 9-1-1 Fee and the retailer would not collect the Prepaid Wireless E 9-1-1 Fee of \$0.70.

Example 3: A retailer sells a consumer a cell phone that comes loaded with 200 minutes of prepaid wireless telecommunications service. The retailer collects the Prepaid Wireless E 9-1-1 Fee of \$0.70 and remits the fee to DRS.

Example 4: A retailer sells a consumer a cell phone with no units or minutes of prepaid wireless telecommunications service included. Because there is no purchase of prepaid wireless telecommunications service, the purchase of the cell phone is not subject to the Prepaid Wireless E 9-1-1 Fee and the retailer would not collect the Prepaid Wireless E 9-1-1 Fee of \$0.70.

Example 5: A retailer sells a consumer a cell phone with unlimited wireless telecommunications service that is paid for in advance of use. Because the wireless service is unlimited but paid for in advance, the retailer collects the Prepaid Wireless E 9-1-1 Fee of \$0.70 and remits the fee to DRS.

Wholesale Sales of Prepaid Wireless Telecommunications Service: A retail transaction does not include the purchase of prepaid wireless telecommunications service from a retailer for resale by the purchaser. Retailers maintaining resale certificates for sales tax purposes are not required to obtain additional documents for purposes of documenting purchases for resale with regard to the Prepaid Wireless E 9-1-1 Fee.

Sales and Use Tax Exemptions Do Not Apply: The exemptions from sales and use taxes listed in Conn. Gen. Stat. § 12-412 do not apply to the Prepaid E 9-1-1 Wireless Fee. The Prepaid Wireless E 9-1-1 fee must be charged on sales to charitable and religious organizations and governmental entities.

Effect on Other Documents: Special Notice 2012(7), *Prepaid Wireless E 9-1-1 Fee*, is modified and superseded.

Effect of This Document: A Special Notice announces a new policy or practice in response to changes in state or federal laws or regulations or to judicial decisions. A Special Notice indicates an informal interpretation of Connecticut tax law by the Department of Revenue Services (DRS).

For Further Information: Call DRS during business hours, Monday through Friday:

- **1-800-382-9463** (Connecticut calls outside the Greater Hartford calling area only); **or**
 - **860-297-5962** (from anywhere).
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TTY, TDD, and Text Telephone users only may transmit inquiries anytime by calling 860-297-4911.

Forms and Publications: Visit the DRS website at www.ct.gov/DRS to download and print Connecticut tax forms and publications.

Paperless Filing/Payment Methods (fast, easy, free, and confidential): Business and individual taxpayers can use the **Taxpayer Service Center (TSC)** at www.ct.gov/TSC to file a variety of tax returns, update account information, and make payments online.

File Electronically: You can choose first-time filer information and filing assistance or log directly into the **TSC** to file returns and pay taxes.

Pay Electronically: You can pay taxes for tax returns that cannot be filed through the **TSC**. Log in and select the *Make Payment Only* option. Designate a payment date up to the due date of the tax and mail a paper return to complete the filing process.

DRS E-Alerts Service: Get connected to the latest news from DRS. Receive notification by email of changes to legislation, policies, and procedures. **DRS E-Alerts** provide information for employer's withholding tax, News – Press Releases, and Top 100 Delinquency List. Visit the DRS website at www.ct.gov/DRS and select *Sign up for e-alerts* under *How Do I?* on the gold navigation bar.
