

## Commercial Mobile Radio Service (CMRS) 911 Charge Becomes Effective 1/1/17

The Kentucky Department of Revenue (DOR) is preparing to administer the new commercial mobile radio service (CMRS) 911 charge, recently enacted into law as KRS 65.7634. Beginning January 1, 2017, a CMRS prepaid service charge will be imposed at a flat rate of \$0.93 (93 cents) per item on each retail transaction involving the purchase of:

- Cellular phones preloaded with a set dollar amount for minutes or units of air time, or sold with rebates for air time;
- Calling cards for cellular phones preloaded with a set dollar amount for minutes or units of air time;
- The recharging of a reusable cellular phone calling card; and
- The recharging of a cellular phone itself with additional minutes or units of air time.

**A business selling any of the above mentioned items must collect the prepaid service charge from the customer at the time of purchase for each item sold at retail.** Affected retailers must register for the CMRS prepaid service charge, and begin filing returns for each reporting period, on the same filing schedule that applies to their sales and use tax return. Of course, point of sale systems must also be programmed to apply the \$0.93 charge on all applicable transactions.

DOR is providing an electronic filing system (KY E-File) for users to file the new CMRS prepaid service charge return. This feature enables retailers that collect this service charge to file the return, amend prior periods and submit payments on any electronic device with connection to the internet.

To file the CMRS prepaid service charge return, or access other online features, retailers must first register for this new charge within the Kentucky Business OneStop Portal (KyBOS). **Please register, as soon as possible, through the KyBOS Portal. Retailers must be set up to file and pay the CMRS charge when it begins on January 1, 2017. This is also necessary to comply with the first due date of February 20, 2017.** This registration will also grant users immediate access to electronic filing of sales and use tax returns, along with other business taxes that come online in the future.

DOR has sent direct mailings to retailers, identified as likely sellers, required to register for the CMRS prepaid service charge. To gain secure access to the portal, businesses have been assigned a unique 10-digit Commonwealth Business Identifier (CBI), which is an enhanced security feature of the portal. Information on how to obtain this number is detailed below. The CBI is private and should be treated like a personal social security number. The CBI also authenticates the business and validates registration to access information online. There is also a helpful E-File quick start guide available at the following link: <http://revenue.ky.gov/Collections/Pages/E-file-Payment-Options.aspx>

To start the process, create a KyBOS user account from the link and steps below:

<https://onestop.portal.ky.gov/OneStopPortal/>

- Create a User account
- Next link the business using the CBI by clicking the “Link your business” icon at the top of the OneStop home page.
- There is a link provided to obtain the CBI on the “Link your business” page.
- After the business is linked, return to the OneStop dashboard and click on that business from “My businesses” on the dashboard.
- Next click the “Manage/view taxes” icon.
- Next click “Apply for additional accounts” on the right hand side of the page.
- Complete the additional registration for the CMRS (911) charge.

Additional return and filing tips will be available on the DOR website ([revenue.ky.gov](http://revenue.ky.gov)) in the near future. For more information about registering and using the portal, visit [onestop.ky.gov](http://onestop.ky.gov). For KyBOS questions, please call 502-564-5053. For general CMRS prepaid service charge questions, please contact the Division of Sales and Use Tax at 502-564-5170, or via email at [DOR.WebResponseSalesTax@Ky.gov](mailto:DOR.WebResponseSalesTax@Ky.gov).