



Instructions for Form WCS-1 Postpaid Wireless Communications Surcharge Return

New

Effective December 1, 2017, changes to the Tax Law affect the state surcharge on the sale of postpaid wireless communications service. Counties and New York City have the option to impose a local surcharge. Surcharges collected for imposing localities must now be reported and remitted with this return. See Publication 451, *Wireless Communications Surcharge Rates on Postpaid Wireless Communications Services*, for a list of localities and their rates.

All surcharges must be reported and paid on or before the 20th day of the month following each quarterly period ending on the last day of February, May, August, and November, respectively.

You are entitled to retain, as an administrative fee, 1.749% (.01749) of the total state surcharge collected and 3% (.03) of the total local surcharge collected, provided that your return is filed and fully paid on or before its due date.

For more information, see TSB-M-17(1)WCS, *Wireless Communications Surcharge on Postpaid Wireless Communications Services*.

Mandate to use Web File

As a postpaid wireless communications service provider, you must now Web File through your Business Online Services account if you are subject to the corporation tax e-file mandate or meet the following three conditions:

- prepare tax documents yourself, without the assistance of a tax professional;
- use a computer to prepare, document, or calculate the required filings; and
- have broadband Internet access.

Create an Online Services account by visiting our website (see *Need help?*).

General information

Tax Law, Article 9, sections 186-f and 186-g impose a public safety communications surcharge on postpaid wireless communications service provided to a wireless communications customer with a place of primary use in New York State. The surcharge is imposed at a state rate of \$1.20 per month and a local rate (if applicable) of \$0.30 per month on **each** device used to access this service during any part of a month. Wireless communications service plans that include multiple devices are subject to the surcharge on **each** device, regardless of the pricing structure for the plan. For example, \$1.50 for a plan with one device, \$3.00 for a plan with two devices, \$4.50 for a plan with three devices, etc. The surcharge must be added as a separate line item to bills furnished by a wireless communications service supplier to its customers and must be identified as the *public safety communications surcharge*. If space limitations on a bill do not allow for a supplier to identify the surcharge as the *public safety communications surcharge*, then, in those limited circumstances, it is sufficient for the supplier to use *PSCS* as an alternative.

Exemptions

The State of New York and its agencies and instrumentalities may purchase wireless communications services exempt from the imposition of the surcharge. The United States of America and any of its agencies and instrumentalities, the United Nations, any nonprofit property/casualty insurance company

organized under Insurance Law § 6703, and consumers who receive a Lifeline discount on their wireless communications service are also exempt from the surcharge when they purchase wireless communications services.

Other entities that may be exempt from the payment of other taxes and fees (such as state and local sales and use taxes) are subject to the postpaid wireless communications services surcharge. For example, organizations that have established exemption under Internal Revenue Code § 501(c)(3) or Tax Law § 1116(a)(4); veterans' organizations; HMOs; or rural electric cooperatives, are **not exempt** from paying the wireless surcharge.

Specific instructions

Final return – If this is the last return you intend to file because you have ceased all business activity required to be reported on Form WCS-1, mark an **X** in the box at the top of the return.

Filing period indicator – Mark an **X** in the appropriate box to indicate the period covered by your return.

Business information – Enter your taxpayer identification number, legal name, doing business as (DBA) name, and complete address.

If you need to update your address or phone information, you can do so online by updating your *Sales tax* information through your Online Services account. Once your information is updated online, you do not need to indicate a change of address on forms submitted to the Tax Department for tax types you selected to be updated.

If you prefer to change this information in writing, use Form DTF-96, *Report of Address Change for Business Tax Accounts*. You must report other changes (such as business name or ID number) on Form DTF-95, *Business Tax Account Update*. On either form, you must select to update your **Sales and use** tax information.

Visit our website and look for the *Change my address* option, or contact us by phone (see *Need help?*).

Part 1 – State postpaid wireless surcharge

Line 1 – Monthly state surcharge collections – Enter in column D the total number of devices in service (at any point during the month) subject to the surcharge for each month of the period covered by this return, multiply by the rate in column E, and enter the total surcharge collected in column F.

Line 3 – Administrative fee – If you are filing your return on time and paying the total amount due, you are entitled to retain a state administrative fee. Multiply the amount on line 2 by 1.749% (.01749) and enter the result. Otherwise, enter **0** on line 3.

Part 2 – Local postpaid wireless surcharge

Report the surcharge on postpaid wireless communications service in the jurisdiction where the wireless customer's place of primary use is located.

Lines 5 through 62 – Monthly local surcharge collections – Enter in column D the total number of devices in service (at any point during the month) subject to the surcharge for each month of the period covered by this return, multiply by the rate in column E, and enter the total surcharge collected for each month in column F. For each jurisdiction, enter the total surcharge collected in column G.

Do not report any surcharge for a jurisdiction if column F is shaded. See instructions for line 67 to report over-collected surcharge.

Note: If a locality does not impose a local surcharge, you must enter in column D the number of devices in service that were subject to the state surcharge in Part 1 for that locality.

Line 63 – Total number of devices – Add all the devices reported in Part 2, *Local postpaid wireless surcharge*, column D. The total number of devices reported in Part 2 must equal the total number of devices reported in Part 1, *State postpaid wireless surcharge*, column D.

Line 65 – Administrative fee – If you are filing your return on time and paying the total amount due, you are entitled to retain a local administrative fee. Multiply the amount on line 64 by 3% (.03) and enter the result. Otherwise, enter **0** on line 65.

Part 3 – Calculate surcharge due

Line 67 – Over-collected surcharge – If you erroneously collected more surcharge from your customers than was required, and did not refund the additional amount to your customers, enter the amount on line 67. You must remit this additional surcharge collected with this return. You are not entitled to retain an administrative fee on the over-collected amount.

Line 69 – Penalty and Interest – If you are filing your return late or not paying the full amount due, or both, you owe penalty and interest, and cannot retain an administrative fee. Penalty and interest are calculated on the amount on line 68, *Total state and local postpaid wireless surcharge due*. **The minimum penalty for late filing is \$50.** For penalty information, see *Penalty computation*. Interest is due on any late payment or underpayment and accrues from the due date of the return to the date the surcharge is paid. Interest rates are compounded daily and adjusted quarterly.

You can estimate your penalty and interest by using our online *Penalty and interest calculator*, or you may call the Wireless Surcharge Information Center to have a Tax Department representative estimate your penalty and interest for you (see *Need help?*). Enter this amount on line 69.

Penalty computation

- For failure to file a return on time with **no surcharge due**, the penalty is \$50.
- For failure to file a return on time **with surcharge due**, the penalty is:

For 1-60 days late, 10% (.1) of the surcharge due for the first month plus 1% (.01) of the surcharge due for each month thereafter, but in no instance less than \$50.

For 61 or more days late, the greater of:

- 10% (.1) of the surcharge due for the first month plus 1% (.01) of the surcharge due for each month thereafter, not to exceed 30% (.3); or
 - the lesser of \$100 or 100% (1.0) of the surcharge due, but not less than \$50.
- For failure to pay surcharge, even though the return is filed on time, the penalty is 10% (.1) of the surcharge due for the first month, plus 1% (.01) of the surcharge due for each additional month, up to a maximum of 30% (.3).

Payment information

Enter your payment amount in **Box A**. This amount should match the amount due on line 70.

Make your check or money order for the *Total amount due* payable in U.S. funds to **Commissioner of Taxation and**

Finance. On your check or money order, write your taxpayer identification number, **Form WCS-1**, and the date of the last day of the quarter for which you are filing.

Fee for payments returned by banks – If your payment is returned by a bank, the Tax Department is allowed by law to charge a \$50 fee for nonpayment. However, if the payment is returned as a result of an error by the bank or the department, the department will not charge the fee. If your payment is returned, we will send a separate bill for \$50 for each return or other tax document associated with the returned payment.

If the total amount due results in an overpayment, you may apply for a refund by filing Form AU-100, *Application for Refund of Wireless Communications Surcharge*.

Do not attach the refund application (Form AU-100) to your return. You **must** file the application **separately** and mail it to the address shown on that form.

Sign and mail this return

Third-party designee

If you want to authorize a friend, family member, or any other person (third-party designee) you choose to discuss this return with the New York State Tax Department, mark an **X** in the **Yes** box in the *Third-party designee* area of your return. Also enter the designee's name, phone number, email address, and any five-digit number the designee chooses as his or her personal identification number (PIN). If you want to authorize the paid preparer who signed your return to discuss the return with the Tax Department, enter **Preparer** in the space for the designee's name. You do not have to provide the other information requested. If you mark the **Yes** box, you are authorizing the Tax Department to discuss with the designee any questions that may arise during the processing of your return. You are also authorizing the designee to:

- give the Tax Department any information that is missing from your return;
- call the Tax Department for information about the processing of your return or the status of your payment(s); and
- respond to certain Tax Department notices that you shared with the designee about math errors and return preparation. The notices will not be sent to the designee.

You are not authorizing the designee to bind you to anything (including any additional liability), or otherwise represent you before the Tax Department.

If you want the designee to perform those services for you, you must file Form POA-1, *Power of Attorney*, making that designation with the Tax Department. Copies of statutory tax notices or documents (such as a *Notice of Deficiency*) will only be sent to your designee if you file Form POA-1.

The third-party designee authorization cannot be revoked. However, the authorization only includes the filing period covered on this return. You may designate the same representative, or another representative, on future returns.

Signatures required

- **Web File** – Your return will be considered electronically signed once the Web File process has been completed.
- **Paper return** (if you are not required to Web File) – If you are a sole proprietor, you must sign the return and include your title, email address, date, and telephone number. If you are filing this return for a corporation, partnership, or other type of entity, an officer, employee, or partner must sign the return on behalf of the business, and print his or her name, title, email address, date, and telephone number.

If you do not prepare the return yourself, sign, date, and provide the requested taxpayer information. The preparer must also sign the return and print his or her name, preparer identification number, address, and telephone number.

Be sure to keep a copy of your completed return for your records.

Paid preparer's responsibilities – Under the law, all paid preparers must sign and complete the paid preparer section of the return. Paid preparers may be subject to civil and/or criminal sanctions if they fail to complete this section in full.

When completing this section, enter your New York tax preparer registration identification number (NYTPRIN) if you are required to have one. If you are not required to have a NYTPRIN, enter in the *NYTPRIN excl. code* box one of the specified 2-digit codes listed below that indicates why you are exempt from the registration requirement. You **must** enter a NYTPRIN or an exclusion code. Also, you must enter your federal preparer tax identification number (PTIN) if you have one; if not, you must enter your social security number.

Code	Exemption type	Code	Exemption type
01	Attorney	02	Employee of attorney
03	CPA	04	Employee of CPA
05	PA (Public Accountant)	06	Employee of PA
07	Enrolled agent	08	Employee of enrolled agent
09	Volunteer tax preparer	10	Employee of business preparing that business' return

When to file

Your return is due the 20th day of the month following the close of the quarterly reporting period. If the due date falls on a Saturday, Sunday, or legal holiday, the return is due on the next business day.

Where to file

**NYS TAX DEPARTMENT
RPC – WCS-1
PO BOX 15193
ALBANY NY 12212-5193**

Private delivery services

If not using U.S. Mail, see Publication 55, *Designated Private Delivery Services*.

Need help?



Visit our website at **www.tax.ny.gov**

- get information and manage your taxes online
- check for new online services and features

Telephone assistance

Wireless Surcharge Information Center: 518-591-5283
 To order forms and publications: 518-457-5431
 Text Telephone (TTY) or TDD equipment users: Dial 7-1-1 for the New York Relay Service

Privacy notification

New York State Law requires all government agencies that maintain a system of records to provide notification of the legal authority for any request for personal information, the principal purpose(s) for which the information is to be collected, and where it will be maintained. To view this information, visit our website, or, if you do not have Internet access, call and request Publication 54, *Privacy Notification*. See *Need help?* for the Web address and telephone number.