

Media Release

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Commerce Commission releases discussion paper on telco levy allocation

The Commerce Commission today released a discussion paper on how it intends to implement the new Telecommunications Development Levy liability allocation process. The discussion paper outlines the Commission's preliminary views on how the TDL liability allocation process will work and invites interested parties to provide comment.

The Telecommunications Development Levy (TDL) was introduced last year by the Telecommunications (TSO, Broadband, and Other Matters) Amendment Act 2011 and replaces the Telecommunications Service Obligations (TSO) cost allocation process.

“The TDL liability allocation process will apply to more companies and services than the TSO cost allocation process. This is because new definitions of ‘public telecommunications network’ and ‘qualified revenue’, which are used to determine liability, will capture a broader range of revenue generating services such as video-on-demand programming,” said Dr Ross Patterson, Telecommunications Commissioner.

The Crown will use the TDL to pay for the TSO and other telecommunications infrastructure development in New Zealand. The levy was designed to streamline and more evenly apportion industry contributions for these developments.

The Commission encourages interested parties to comment on the discussion paper by emailing telco@comcom.govt.nz by 5pm on Wednesday 29 February.

You can view a copy of the discussion paper on the Commission's website at:

www.comcom.govt.nz/telecommunications-development-levy

Background

The TDL determination was published on 30 November 2011. You can view a copy of the determination here: www.comcom.govt.nz/telecommunications-development-levy

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