

# ICASA publishes Reasons Document for the 2012 General Licence Fees Regulations

The Independent Communications Authority of South Africa (ICASA) has given notice to all licensees and stakeholders that the Reasons Document for the ICASA General Licence Fees Regulations, 2012 as amended has been finalised and published on 7 August 2014.



The Reasons Document also gives reasons for the amendment to the definition of a 'licensed service' as contained in the ICASA General Licence Fee Amendment Regulations, 2014.

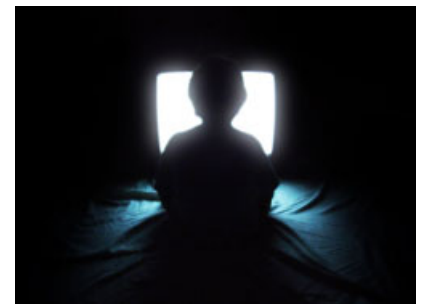
The Regulations, which became effective from 1 April 2013, are aimed at prescribing administrative fees payable to the Authority in respect of an application for a licence, amendment to a licence, transfer, or renewal of licences; as well as the annual licence fees payable to the Authority.

## New regime

The Regulations introduced a new regime of licence fees calculation that is primarily based on generated revenue. Licensees will be required to calculate what is due to the Authority by applying an applicable percentage on their revenue generated from licensed services. The applicable percentage is on a sliding scale with the percentage increase from low to high revenues. For instance, the applicable percentage is from 0.15% up to 0.35% with licensees generating less than R50m paying at 0.15% and over R1bn paying at 0.35%.

It is important to note that the fact that the 2012 Regulations commenced on 1 April 2013 means the licensees must calculate licence fees based on the 2009 Regulations for any part of any financial year up until 31 March 2013. Licence fees for the year from April 2013 must be calculated based on the 2012 Regulations. The Regulations require of all licence holders to, within six months of their financial year-end, submit their audited financial statements to the Authority.

Any licensee who fails to pay the annual licence fees will result in the suspension of the licence issued by the Authority in terms of the Electronic Communications Act until such time that the annual licence fees are fully paid, with interest. Community Sound and Public Broadcasting Services licensees are exempted from paying annual licence fees.



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