

## List of Qualifying Liable Persons for the 2013/14 Telecommunications Development Levy

1. The Commerce Commission (Commission) has identified those telecommunications service providers (TSPs) that are qualifying liable persons (QLPs) for the purposes of the 2013/14 Telecommunications Development Levy (TDL) in a list outlined in Tables 1 and 2 below. This means that these TSPs are required to provide the Commission with specified information in accordance with section 83 of the Telecommunications Act 2001 (Act), which the Commission will use to identify the portion of the TDL each QLP is required to pay.
2. The list of QLPs for the 2013/14 TDL year is based on information provided to date and is available on our website. The list is not final and may be reviewed and updated if required.<sup>1</sup>
3. In addition to this list, the Commission has also separately provided instructions for preparing the specified information required under section 83, templates for preparing the specified information, and a document containing relevant statutory references. These materials can also be found on our [website](#).

### Meeting the criteria

4. The TSPs identified in Tables 1 and 2 meet the criteria for “liable person” as defined in section 5 of the Act. They have also met the minimum telecommunications threshold as set out in sections 80 and 81 of the Act (meaning they earned more than \$10 million in gross telecommunications revenue in the year preceding year A, which in this case is the 2012/13 financial year) and are accordingly QLPs.<sup>2</sup>
5. Some of the QLPs and their interconnected bodies corporate (as listed in Table 2) are treated as a single entity as required by section 79 of the Act.<sup>3</sup> This means that they are connected by way of a significant level of shareholding, common ownership/control by a third person, or the ability to exert a substantial degree of influence over the other (as identified in section 79 of the Act), and the Commission is required to treat them as a single entity for the purposes of the TDL.

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<sup>1</sup> It is important to note that TSPs must self-report that they are QLPs no later than 60 working days before the end of the TDL year and provide financial statements for the preceding TDL year, along with any other information we require to verify that they are a QLP. We can also, at any time, seek financial or other information from a TSP to assist us to verify whether or not they are a QLP.

<sup>2</sup> Under section 5 of the Act, liable person means a person who provides a telecommunications service in New Zealand by means of some component of a public telecommunications network that is operated by that person.

<sup>3</sup> The QLP group may include one or more QLPs and any interconnected bodies corporate that earned telecommunications revenue in the 2012/13 financial year.

### Listing the QLPs

6. The Commission has identified two categories of QLPs: TSPs that are independent QLPs (identified in Table 1); and TSPs that are considered to be a single QLP entity under section 79 of the Act (identified in Table 2).

### Explaining the reporting requirements

7. Independent QLPs (Table 1) are required to provide the specified information in a report specific to their company. QLPs that include interconnected bodies corporate that are captured by section 79 of the Act (Table 2), can provide the specified information in a consolidated report or separate reports.

**Table 1**

<b>Independent QLPs</b>	<ul style="list-style-type: none"> <li>• Compass Communications Ltd</li> <li>• FX Networks Ltd</li> <li>• Trustpower (Kinect) Ltd</li> <li>• Two Degrees Mobile Ltd</li> <li>• Snap Ltd</li> <li>• Vector Communications Ltd</li> <li>• Vodafone New Zealand Ltd</li> <li>• Woosh Wireless (NZ) Ltd</li> <li>• WorldxChange Communications Ltd</li> </ul>
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Table 2

<p><b>QLPs that include interconnected bodies corporate under section 79 of the Act</b></p>	<p><u>Chorus group:</u></p> <ul style="list-style-type: none"> <li>• Chorus Ltd; and</li> <li>• Chorus New Zealand Ltd</li> </ul> <p><u>CallPlus group:</u></p> <ul style="list-style-type: none"> <li>• CallPlus Ltd;</li> <li>• CallPlus Services Ltd;</li> <li>• 2Talk Ltd; and</li> <li>• Flip Services Ltd</li> </ul> <p><u>Crown companies group:</u></p> <ul style="list-style-type: none"> <li>• Enable group (Enable Networks Ltd &amp; Enable Services Ltd);</li> <li>• Kordia Ltd;</li> <li>• REANNZ (Research &amp; Education Advanced Network New Zealand Ltd);</li> <li>• Transpower New Zealand Ltd;</li> <li>• Ultrafast Fibre Ltd; and</li> <li>• Whangarei Local Fibre Company Ltd (trading as Northpower Fibre).</li> </ul> <p><u>Orcon/Vivid Networks group:</u></p> <ul style="list-style-type: none"> <li>• Orcon Ltd; and</li> <li>• Vivid Networks Ltd<sup>4</sup></li> </ul> <p><u>Teamtalk group:</u></p> <ul style="list-style-type: none"> <li>• Teamtalk Ltd;</li> <li>• Araneo Ltd;</li> <li>• Bay City Communications Ltd; and</li> <li>• Citylink Ltd</li> </ul> <p><u>Telecom group:</u></p> <ul style="list-style-type: none"> <li>• Telecom Corporation of New Zealand Ltd; and</li> <li>• Telecom New Zealand Ltd</li> </ul>
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<sup>4</sup> According to the Companies Office website, Orcon Holdings Ltd acquired a 100% interest in Orcon Ltd on 15 April 2013. Semple Investments Ltd has a 48% interest in Orcon Holdings Ltd. Semple Investments Ltd also owns a 100% interest in Vivid Technologies Ltd, which in turn owns a 70% interest in Vivid Networks Ltd. Therefore, Orcon Ltd and Vivid Networks Ltd are required to be considered as a single entity for purposes the TDL under section 79 of the Act. This is because both have a significant common shareholder in the form of Semple Investments Ltd, albeit through Semple's wholly owned subsidiary.