



Full-Service Technology Credit

OVERVIEW

In order to encourage mailers to convert to Full-Service, the Postal Service is proposing to offer a Full-Service Technology Credit. This credit is intended to help offset the investment required to implement the necessary hardware and software infrastructure changes to support Full-Service mailings.

FULL-SERVICE TECH CREDIT ELIGIBILITY

The mail volume of all Permit Holders and Mail Service Providers will be evaluated for Tech Credit eligibility, regardless of each mailer's current Full-Service status. This volume will be evaluated across qualifying permits for each business location (CRID). Each business location that exceeds 125,000 pieces of qualifying annual mail volume will be eligible to redeem one Tech Credit. Only volume that can be mailed Full-Service will be included in this count.

To determine the level of qualifying mail volume for each CRID, the following steps will be taken:

- Mail volume associated with each permit, as defined in the "Permit Holder" and/or "Mailing Agent" fields, will be evaluated. Permit types will include Permit Imprint, Metered, Precancelled Stamp, OMAS Imprint, OMAS Metered, Periodicals, and Ghost.
- The following Full-Service eligible mail products will be considered as qualifying mail volume:
 - First-Class Mail Automation Letters, Cards, & Flats
 - Standard Mail Automation Letters & Flats
 - Includes Automation Enhanced Carrier Route (ECR) Letters & Flats
 - Does not include Saturation Flats
 - Periodical Automation/Barcoded Letters & Flats
 - Includes ECR Letters & Flats
 - Bound Printed Matter (BPM) Barcoded Flats
- The mail volume for each permit associated with a CRID will be aggregated and used to determine if the CRID qualifies for a Tech Credit (greater than 125,000 Full-Service eligible pieces annually).
- The mail volume for a one year period prior to the promotion will be used in the evaluation.
- Permits must be opened prior to the date of initial industry notice for the associated volume to be considered for the Tech Credit. Business locations (CRIDs) must also have been established in *Posta/One!* prior to the date of initial industry notice.
- Volumes associated with all permits linked to a CRID will be aggregated to determine the Tech Credit. Each CRID that exceeds 125,000 annual mail volume (total of all eligible volume from all eligible permits) will be eligible to redeem one Tech Credit as follows:
 - 125,001 – 500,000 Full-Service eligible pieces = \$2000 postage credit
 - 500,001 – 2,000,000 Full-Service eligible pieces = \$3000 postage credit
 - 2,000,000+ Full-Service eligible pieces = \$5000 postage credit

Tech Credit eligibility will be determined using the following guidelines:

- Each eligible CRID will be eligible to redeem a Tech Credit based upon the aggregated mail volume.
 - When determining a mailer's qualifying volume, each CRID will be considered as a "Permit Holder" OR as a "Mailing Agent". These volumes will not be combined and the higher of the two volumes will be used.



- Each eligible CRID will be able to redeem one (1) Tech Credit only
- In the event there are multiple CRIDs identifying the same business location that have linked permits, only the CRID with the highest eligible volume will be eligible to redeem the Tech Credit.

FULL-SERVICE TECH CREDIT NOTIFICATION PROCESS

The following notification process will be used:

- A Tech Credit-qualified list will be generated during the first quarter of 2013. This list will include all CRIDs that have qualified for the Tech Credit, according to the program's eligibility criteria.
- Messaging regarding the finalization of the Tech Credit list will be distributed to the industry via the Help Desk and RIBBS.
- It is important to note that no mailer needs to opt-in or register for the Tech Credit program. USPS will consider all CRIDs for the program..

FULL-SERVICE TECH CREDIT REDEMPTION

The following credit redemption guidelines will be used:

- Any permit linked to a qualified CRID may use the Tech Credit in mailings that contain 90% or more Full-Service pieces.
 - To apply this postage credit the permit must be the paying permit in the mailing.
 - The permit can be a Permit Imprint, Additional Postage, Metered, Precancelled Stamp, OMAS Imprint, OMAS Metered, or Periodical account.
- The Tech Credit will be applied as a postage credit to postage statements that contain 90% or more qualifying Full-Service pieces, where an eligible permit is used as the paying permit. An eligible permit can be any permit that is linked to a CRID the is eligible to redeem a Tech Credit.
- The Tech Credit will be automatically applied in-full upon submission of an eligible mailing.
- A partial Tech Credit amount will be applied to statements if the Tech Credit amount is greater than the total postage for the postage statement.
- The remaining Tech Credit amount will be applied to subsequent statement(s).
- The Tech Credit redemption period is proposed to run for a one year period from June 2013 to June 2014.

The following guidelines will be used to determine how an authorized business location i.e. CRID (based on the eligibility criteria from above) will claim the Full-Service Tech Credit:

- Mailers can claim the Tech Credit through eDoc submission via Mail.dat or XML.
 - Postal Wizard submissions will not be eligible
- Mail.dat - Submitter of eDoc will identify the paying permit (linked to the eligible CRID) by populating Permit Type, Permit Number or USPS Publication Number, and Permit ZIP+4 in the Mail.dat MPA record.
- Mail.XML - Submitter of eDoc will identify the paying permit (linked to the eligible CRID) by populating PermitType, PermitNumber or PublicationNumber, and PermitZIP+4 within the PermitPublicationDataBlock of the following message types:



- PostageStatementCreateRequest
- PeriodicalStatementCreateRequest
- ConsolidatedPeriodicalStatementCreateRequest
- For Mail Anywhere mailings, the associated Payment Account number must also be provided in submission of eDoc.
- *PostalOne!* will determine if the CRID associated to the Permit has a Tech Credit balance.
- *PostalOne!* will validate that a postage statement contains at least 90% Full-Service pieces before applying the Tech Credit.
- Total Tech Credit balance amounts will be displayed.

FULL-SERVICE TECH CREDIT EXCEPTION PROCESS

The following exception processes will be supported as a part of the Tech Credit Program:

- A qualified mailing agent who does not have a paying permit account will be allowed to open a Permit as follows:
 - Permit Imprint - application fee for a Permit Imprint will be waived through an exception process. The annual mailing fee will be waived under the existing 90% Full-Service rule. This permit can be used at any *PostalOne!* site under the Mail Anywhere program.
 - Meter, Pre-Cancelled Stamp - annual mailing fee will be waived via existing 90% Full-Service rule. Meter and Pre-Cancelled Stamp accounts may hold a balance and an additional postage account will not be necessary.
- A mailer who qualifies for the Tech Credit with multiple CRIDs will have the option to transfer the Tech Credit from one CRID to another affiliated CRID (within the same organization) via an exception process.
- The permits able to redeem the Tech Credit for a qualified CRID can be edited via an exception process.
 - All eligible permit types for each qualified CRID will initially be set to redeem the Tech Credit when an eligible statement is submitted.
 - If a mailer does not wish to allow all linked permits to use the Tech Credit, they can work through an exception process to limit the allowed permits.
 - Should the need arise to use a new permit to redeem the Tech Credit, this will be achieved via an exception process.