

Understanding Your Telephone Bill

Consumer confusion over telephone bills has contributed to the growth of slamming (changing a customer's telephone provider without his/her permission), cramming (adding charges to a customer's bill for services he/she did not authorize), and other types of telecommunications fraud. The following information will help you understand the charges you may find on your telephone bill.

Charges on Your Phone Bill

Basic Local Exchange Service - This service has a flat rate usage charge and is for your basic dial tone telephone service provided over single residential access line or a primary access line for a small business customer. Basic Local Exchange Service is a stand-alone service and is not part of a bundle or package of services. Other charges on your phone bill may include such things as bundles or packages that incorporate your local telephone service with other features such as call waiting or caller ID.

9-1-1 - This charge maintains the lines and database for 9-1-1 emergency services (such as fire and rescue).

Federal Excise Tax - This three-percent tax is mandated by the federal government and imposed on all local calls. The federal excise tax is no longer imposed on long distance calls and wireless service.

(Federal) Subscriber Line Charge - This charge is mandated by the Federal Communications Commission (FCC) and helps cover the fixed cost of the local phone network, including the lines and equipment from the central office to the customer. Depending on your local telephone company, this charge may appear as: "FCC Charge for Network Access," "Federal Line Cost Charge," "Interstate Access Charge," "Federal Access Charge," "Interstate Single Line Charge," "Customer Line Charge" or "FCC-Approved Customer Line Charge." This is a per-line charge and the FCC caps the maximum price a company may charge. Customers with multiple lines may pay a higher subscriber line charge.

(State) Subscriber Line Charge - This charge helps maintain the local phone network. It may appear as "Intrastate Access Fee" or "Access Recovery Charge." Not all local companies have this charge on the bill.

Local Number Portability Charge (LPN) - This charge allows telephone companies to recover certain costs for providing residential and business telephone customers the ability to keep, at the same location, their existing local telephone numbers when they switch from one local telephone service provider to another. This is a fixed monthly charge, not a tax.

State and Local Municipal Tax - This charge is placed by state, local and municipal governments on goods and services. For information about the state and local taxes listed on your telephone bill, you should contact your local and state taxation offices. These offices may be listed in the government section of your telephone directory.

Universal Service Fund (USF)/Universal Connectivity Fee - This federal fee helps to make phone service affordable and available to all Americans, including consumers with low incomes, schools, libraries, rural health care providers, and those living in areas where the costs of providing telephone service is high.

Telephone Company Bill Requirements:

Customers should be able to easily understand their phone bill. A telephone company's bill must:

- Identify the service provider associated with each charge
- Highlight any new service providers appearing on the bill along with a toll-free telephone number and a brief description of the service provided
- Identify current, past due, usage-sensitive, and one-time charges
- Identify and briefly describe taxes and any surcharges
- Explain any codes and abbreviations used on the bill
- Identify charges which must be paid to keep basic local service
- Provide a toll-free number for customers to call in order to make a complaint or obtain information

Protecting Yourself

Treat your telephone service like any other major purchase. Review monthly telephone bills just as closely as you review your monthly credit card and bank statements.

As you review your bill, ask yourself the following questions:

- Do I recognize the names of all the companies listed on my bill?
- What services did the listed companies provide?
- Does the bill include charges for calls I did not place and services I did not authorize?
- Are the rates charged by each company consistent with the rates that the company quoted to me?

If you don't understand a service charge listed on your telephone bill, ask the company that billed the charge to explain the charge to you *before* you pay the bill.

Carefully read all forms and promotional materials- including all fine print- before signing up for telephone services. If you change service providers, companies must send you a welcome packet within 10 days confirming service. Carefully check this over to make sure it is correct.

Companies can compete for your telephone business. Use your buying power wisely and shop around. If you think a company's charges are too high or its services do not meet your needs, contact other companies and try to get a better deal more suited for your needs.

If you would like to know more about the PUCO or have utility-related questions or concerns, contact the

PUCO at:

(800) 686-PUCO (7826)

(800) 686-1570 (TDD/TTY)

In Columbus only:

(614) 466-3292

(614) 466-8180 (TDD/TTY)

www.PUCO.ohio.gov