CAPTION SHEET CASE MANAGEMENT SYSTEM

1. REPORT DATE: 00/00/00
2. BUREAU: FUS
3. SECTION(S):
4. PUBLIC MEETING DATE: 00/00/00
5. APPROVED BY:
   DIRECTOR:
   SUPERVISOR:
6. PERSON IN CHARGE:
7. DATE FILED: 08/22/05
8. DOCKET NO: R-00050881
9. EFFECTIVE DATE: 09/01/05

PARTY/COMPLAINANT: PUC

RESPONDENT/APPLICANT: COMMONWEALTH TELEPHONE CO.

COMP/APP COUNTY: UTILITY CODE: 310800

ALLEGATION OR SUBJECT

COMMONWEALTH TELEPHONE COMPANY HAS FILED SUPPLEMENT NO 89 TO TARIFF TELEPHONE PA PUC NO 23 & SUPPLEMENT NO 95 TO TARIFF TELEPHONE PA PUC NO 24, TO BECOME EFFECTIVE SEPTEMBER 1, 2005, WHICH PROPOSES TO APPROVE THE DECREASE OF CTCO'S STATE TAX ADJUSTMENT SURCHARGE (STAS) RESULTING FROM THE MOST RECENT RECALCULATION OF THE SURCHARGE.

DOCUMENT FOLDER

DOCKETED
AUG 26 2005

COMMONWEALTH TELEPHONE COMPANY

ORIGINAL

August 22, 2005

RECEIVED
05 AUG 22 AM 9:05
PA. P.U.C.
SECRETARY'S BUREAU

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

R-00050881

Secretary McNulty:

Pursuant to the provisions of Title 52 (Public Utilities) of the Pennsylvania Code, and the Order of the Pennsylvania Public Utility Commission at Docket Nos. P-00032020, P-00961024F0002, P-00961024 and R-00027695, Commonwealth Telephone Company (CTCo) submits for filing: Supplement 95 to Tariff Telephone – PA PUC No. 24 and Supplement No. 89 to Tariff Telephone – PA PUC No. 23.

Both Supplements request approval to decrease CTCo's state tax adjustment surcharge (STAS) resulting from the most recent recalculation of the surcharge.

It is respectfully requested that both Supplements become effective September 1, 2005.

In an effort to reduce the time and costs associated with preparing and submitting two (2) State Tax Adjustment Surcharge ("STAS") filings during the course of the year, we are proposing that CTCo's current STAS filing be in effect from September 1, 2005 through August 31, 2006. Accordingly, please accept this letter as CTCo's request to waive the regulation at Chapter 52, Section 69.52, Exhibit A, STAS Procedures, requiring the April 2006 STAS filing.

Please contact either myself, at (570) 631-5366, or Cheryl Mirro, at (570) 631-6908, with any questions or concerns regarding this filing.

Sincerely,

Michael P. Sharry

Michael P. Sharry
Director Regulatory and Public Affairs

DOCUMENT FOLDER
DOCKETED
AUG 26 2005

47

100 CTE Drive ▫ Dallas, PA 18612-9774 ▫ 570-631-2700
www.ctco.net

CETRIFICATE OF SERVICE

I hereby certify that I have this day served a copy of CTCo's Supplement No. 95 to Tariff Telephone PA PUC No. 24 and Supplement No. 89 to Tariff Telephone PA PUC No. 23 filing upon the persons and in the manner indicated below.

Service by First Class Mail:

Philip McClelland
Office of Consumer Advocate
555 Walnut St. – 5th Floor
Forum Place
Harrisburg, PA 17101-1923

William R. Lloyd
Office of Small Business Advocate
Suite 1102 – Commerce Bldg.
Harrisburg, PA 17101

Janet Tuzinski
PA PUC – Bureau of FUS
P.O. Box 3265
Harrisburg, PA 17105-3265

RECEIVED
05 AUG 22 AM 9:05
PA.P.U.C.
SECRETARY'S BUREAU

Michael P. Sharry

Michael P. Sharry

DATED: August 22, 2005

BUREAU OF CORPORATION TAXES
PURTA UNIT
P.O. BOX 280704
HARRISBURG, PA 17128-0704

COMMONWEALTH OF PENNSYLVA
DEPARTMENT OF REVENUE

Mailing Date:
August 1, 2005

COMMONWEALTH TELEPHONE CO
100 CTE DRIVE

DALLAS, PA 18612

Re: 2004 Pennsylvania Public Utility Realty Tax
Notice of Determination

Dear Taxpayer:

Pursuant to the Public Utility Realty Tax Act, as amended by Act 4 of 1999 and Act 23 of 2000, the Department of Revenue herein gives notice of the state taxable values of PURTA realty and the millage rate applicable to tax year 2004. This notice is based on information provided by your County Tax Assessor's Office. Any errors must be addressed with that agency and not with the Pennsylvania Department of Revenue. Notice is also given for any PURTA/PTA Tax and transitional credit adjustments for prior tax years.

2005 PURTA property information for next tax year's filings will soon be filed with the Department of Revenue by local taxing jurisdictions. This information comes directly from your County Tax Assessor's Office. It is very important that you, the utility owner, verify the content and accuracy of this property information (especially if ownership has changed or classification, assessment, or appeal values have been finalized). Any changes or corrections to the County Tax Assessor's records must be addressed and/or appealed at the local level. The accuracy of your next PURTA bill will be dependent upon your verification of county data.

Please be advised that payment of tax is required within 45 days of the mailing of this notice of determination. Previous payments, adjustments, or credits should be taken into consideration. Payments and inquiry correspondence relevant to the PURTA tax - Notice of Determination should be mailed directly to the above address.

Thank you for your attention to this matter.

Sincerely,

Bureau of Corporation Taxes
Department of Revenue

1998 - 2004 NOTICES:

2004 Liability:	**$498,303.00**
2003 Liability Adjustment:	**($641.00)**
2002 Liability Adjustment:	**($245.00)**
2001 Liability Adjustment:	**($151.00)**
2001 Transition Credit Adjustment:	**$0.00**
2000 Liability Adjustment:	**($679.00)**
2000 Transition Credit Adjustment:	**$0.00**
1999 Liability Adjustment:	**($3,162.00)**
1999 Transition Credit Adjustment:	**$0.00**
1998 Liability Adjustment:	**($379.00)**
1998 Transition Credit Adjustment:	**$0.00**

PLEASE SEE PAGE 2
FOR DETAIL

Account Id: **3506723**

Name: COMMONWEALTH TELEPHONE CO Account Id: 3506723

Detail

Tax Year 2004 *

		2004
1)	Realty Tax Equivalent (RTE):	$ 30,361,542
2)	Total State Taxable Value (STV) for all utilities:	$ 1,472,043,134
3)	**PURTA Millage Rate (including 7.6 mills for Public Transportation Act (PTA)):**	**28.2254 mills**
4)	**STV for Utility:**	**$17,654,424**
5)	**Liability (Line 3 x Line 4):**	**$498,303**

Tax Year 1998 - 2003

		1998	1999	2000	2001	2002	2003
1)	Adjusted RTE:	$ 133,200,000	$ 39,663,277	$ 28,874,993	$ 29,761,819	$ 29,750,366	$ 30,323,939
2)	Adjusted Total STV for all utilities:	$ 2,101,312,290	$ 2,092,107,471	$ 1,388,341,262	$ 1,361,751,810	$ 1,390,667,325	$ 1,407,045,543
3)	Adjusted Millage Rate (includes 7.6 mills for PTA):	70.9890 mills	26.5585 mills	28.3982 mills	29.4555 mills	28.9929 mills	29.1515 mills
4)	**Adjusted STV for Utility:**	**$23,398,624**	**$23,553,798**	**$22,997,178**	**$15,908,408**	**$15,978,982**	**$15,519,330**
5)	**Adjusted Liability (Line 3 x Line 4):**	**$1,661,045**	**$625,554**	**$653,078**	**$468,590**	**$463,277**	**$452,412**
6)	**Adjusted Transition Credit:**	**$100,000**	**$0**	**$0**	**$0**	**N/A**	**N/A**
7)	**Adjustment to Liability of 8/1/2004:**	**($379)**	**($3,162)**	**($679)**	**($151)**	**($245)**	**($641)**
8)	**Adjusment to Transition Credit of 8/1/2004:**	**$0**	**$0**	**$0**	**$0**	**N/A**	**N/A**

Under separate cover you will receive an Account Review. Please review it to confirm the current status of payments made, transition credits and adjustments to previous tax liabilities or balances still due. Any overpayment is available for transfer within the account, any net credit balance for the account is available for refund/assignment.

*** If you do not agree with this Notice of Determination for 2004 PURTA, you may have Petition privileges pursuant to Section 1109-A. Please refer to the enclosed copy of the PURTA statute.**

EXAMPLE TELEPHONE COMPANY
SURCHARGE FOR 9/1/05 (thru 8/31/06)

CALCULATION OF SURCHARGE RATE 9/1/05 - 8/31/06

Blue Numbers are input cells

1. **Capital Stock / Foreign Franchise Tax**

	2005
Tax Millage in basic rates (1997)	12.75 mills
Tax Millage revised to:	5.99 mills
Tax Base (Use most recently settled valuation)	$ 271,687,457
Effective Tax Rate Increase / (Decrease)	x (0.00678)
Intrastate Separations Factor	x 0.79520
Total Capital Stock / Franchise Tax Increase / (Decrease)	$ (1,460,470)

Total Capital Stock / Franchise Tax Increase / (Decrease): $ (1,460,470)

2. **Public Utility Realty Tax Assessment (PURTA)**

1998 PURTA				
8/1/05 Notice of Determination Adjustments:				
Adjustment to 1998 Liability		(379)		
Total 1998 PURTA Increase/(Decrease)			$ (379)	
Intrastate Separations Factor - 1998			0.79520	
1998 PURTA Increase / (Decrease)				$ (301)
1999 PURTA				
8/1/05 Notice of Determination Adjustments:				
Adjustment to 1999 Liability		(3,162)		
Total 1999 PURTA Increase/(Decrease)			$ (3,162)	
Intrastate Separations Factor - 1999			0.79520	
1999 PURTA Increase / (Decrease)				$ (2,514)
2000 PURTA				
8/1/05 Notice of Determination Adjustments:				
Adjustment to 2000 Liability		$ (679)		
Total 2000 PURTA Increase/(Decrease)			$ (679)	
Intrastate Separations Factor - 2000			0.79520	
2000 PURTA Increase / (Decrease)				$ (540)
2001 PURTA				
8/1/05 Notice of Determination Adjustments:				
Adjustment to 2001 Liability		$ (151)		
Total 2001 PURTA Increase/(Decrease)			$ (151)	
Intrastate Separations Factor - 2001			0.79520	
2001 PURTA Increase / (Decrease)				$ (120)
2002 PURTA				
8/1/05 Notice of Determination Adjustments:				
Adjustment to 2002 Liability		$ (245)		
Total 2002 PURTA Increase/(Decrease)			$ (245)	
Intrastate Separations Factor - 2002			0.79520	
2002 PURTA Increase / (Decrease)				$ (195)
2003 PURTA				
8/1/05 Notice of Determination Adjustments:				
Adjustment to 2003 Liability		$ (641)		
Total 2003 PURTA Increase/(Decrease)			$ (641)	
Intrastate Separations Factor - 2003			0.79520	
2003 PURTA Increase / (Decrease)				$ (510)
2004 PURTA				
Net Book Value of PURTA Property as of 12/31/04	$ 11,381,104			
PURTA at old rate included in tariff (42 mills)	X 0.0420000	$ 478,006		
2004 PURTA Tax per 8/1/04 Notice of Determination		498,303		
PURTA Increase/(Decrease) from old rate		20,297		
8/1/05 Notice of Determination Adjustments:				
2004 Transition Credit		0		
Total 2004 PURTA Increase/(Decrease)			$ 20,297	
Intrastate Separations Factor - 2004			0.79520	
2004 PURTA Increase / (Decrease)				$ 16,140
Total PURTA Increase / (Decrease)				$ 11,960

3. Total for Items 1 and 2: $ (1,448,510)

4. **Allocation of Tax Expense (Decrease) / Increase**
Multiply the Amount in Item 3 by the Percentage of Total Revenue. Adjust the End User Tax Increase / (Decrease) for the Gross Receipts Tax Impact.

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	Intrastate Operating Revenues						Allocated Tax Expense Incr / (Decr)		
User Category	Gross Revenue (8/1/04-7/31/05)	Less: STAS Included	Adjusted Revenue	Effective Time Period	Revenue Pro-rated Over Effective Time Period	% of Total Revenue	Tax Expense Incr / (Decr)	Gross Receipts Tax Adjustment	Adjusted Tax Incr / (Decr)
a. Access User & LEC	$ 54,553,960	$ -	$ 54,553,960	100.00%	$ 54,553,960	44.05%	$ (638,069)	N/A	$ (638,069)
b. End User	69,282,655	-	69,282,655	100.00%	69,282,655	55.95%	(810,441)	(42,655)	(853,096)
c. Total	$ 123,836,615	$ -	$ 123,836,615		$ 123,836,615	100.00%	$ (1,448,510)	$ (42,655)	$ (1,491,165)

5. **Calculation of Surcharge Rate**

	Access User & LEC Rate	End User Rate
a. Tax Expense Increase / (Decrease), Line 4(a), Column (I)	$ (638,069)	$ (853,096)
b. Revenue For Effective Time Period, Line 4(a), Column (E)	$ 54,553,960	$ 69,282,655
c. Surcharge Rate to be Applied (9/1/04 - 8/31/05), Line 5(a) / 5(b)	-1.170%	-1.231%

EXAMPLE TELEPHONE COMPANY
CALCULATION OF INTRASTATE GROSS OPERATING REVENUES
SURCHARGE FOR 9/1/05

Revenue for Tax Increase/(Decrease) to be Collected:

User Category	Gross Revenue YTD 07/31/04	Gross Revenue YTD 12/31/04	Gross Revenue YTD 07/31/05	Gross Revenue 8/1/04-7/31/05
a. Access User & LEC	$ 32,101,037	$ 53,342,183	$ 33,312,814	$ 54,553,960
b. End User	40,328,263	68,304,269	41,306,649	$ 69,282,655
c. Total	$ 72,429,300	$ 121,646,452	$ 74,619,463	$ 123,836,615

STAS Included in Revenue:

User Category	Gross Revenue YTD 07/31/04	Gross Revenue YTD 12/31/04	Gross Revenue YTD 07/31/05	Gross Revenue 8/1/04-7/31/05
a. Access User & LEC	$ -	$ -	$ -	$ -
b. End User	-	-	-	$ -
c. Total	$ -	$ -	$ -	$ -

R-00050881

ORIGINAL

SUPPLEMENT NO. 89
TO
TARIFF TELEPHONE – PA P.U.C. NO. 23

COMMONWEALTH TELEPHONE COMPANY

RATES AND RULES
GOVERNING THE FURNISHING OF TELEPHONE SERVICE
IN
EXCHANGE AREAS OF ALL OF WYOMING COUNTY, AND PORTIONS
OF BERKS, BRADFORD, BUCKS, CARBON, CHESTER, COLUMBIA,
DAUPHIN, LACKAWANNA, LANCASTER, LEHIGH, LUZERNE,
LYCOMING, MONROE, NORTHAMPTON, SCHUYLKILL, SULLIVAN,
SUSQUEHANNA, TIOGA, AND YORK COUNTIES
IN THE STATE OF PENNSYLVANIA
AND AS SHOWN ON SHEETS 6 THROUGH 12
CONTAINED IN TELEPHONE – PA PUC NO. 23
AND AS SHOWN ON MAPS CONTAINED HEREIN

ISSUED: August 22, 2005 EFFECTIVE: September 01, 2005

by

MICHAEL P. SHARRY
DIRECTOR
REGULATORY AND PUBLIC AFFAIRS
COMMONWEALTH TELEPHONE COMPANY
DALLAS, PENNSYLVANIA

DOCUMENT FOLDER

NOTICE

DOCKETED AUG 26 2005

THIS TARIFF MAKES (DECREASES) IN RATES & RULES

SEE SHEET 2

COMMONWEALTH TELEPHONE COMPANY
SUPPLEMENT NO. 89 – PA P.U.C NO. 23

LIST OF MODIFICATIONS

DECREASE	To the State Tax Adjustment Surcharge
	Section 1 - Eighteenth Revised Sheet 19

GENERAL REGULATIONS
(continued)

Y. STATE TAX ADJUSTMENT SURCHARGE

In addition to the charges provided in this Tariff and other intrastate toll and access tariffs in which this Company concurs, a surcharge, as shown below, will apply to all intrastate charges for service on and after September 1, 2005 except on coin paid customer dialed calls from pay telephones. (C)

For services provided to:	Surcharge Rate	
End User	-1.231%	(D)
Other Local Exchange Companies	-1.170%	|
All Interexchange Carriers/Resellers	-1.170%	|

The above charges will be recomputed, using the same elements prescribed by the Commission as follows:

1. Whenever any of the tax rates used in calculation of the surcharge are changed.

2. Whenever the utility makes effective any increased or decreased rates.

3. And on March 31, 1992 and each year thereafter.

The above recalculations will be submitted to the Commission within 10 days after the occurrence of the event or date which occasions such recomputations. If the recomputed surcharge is less than the one in effect, or if the recomputed surcharge is more than the one then in effect, the utility may submit with such recomputation, a tariff or supplement to reflect such recomputed surcharge, the effective date of which shall be 10 days after filing.

R-00050881
ORIGINAL

SUPPLEMENT NO. 95
TO
TARIFF TELEPHONE – PA P.U.C. NO. 24

COMMONWEALTH TELEPHONE COMPANY

RATES AND RULES
GOVERNING THE FURNISHING OF TELEPHONE SERVICE
IN
EXCHANGE AREAS OF ALL OF WYOMING COUNTY, AND PORTIONS
OF BERKS, BRADFORD, BUCKS, CARBON, CHESTER, COLUMBIA,
DAUPHIN, LACKAWANNA, LANCASTER, LEHIGH, LUZERNE,
LYCOMING, MONROE, NORTHAMPTON, SCHUYLKILL, SULLIVAN,
SUSQUEHANNA, TIOGA, AND YORK COUNTIES
IN THE STATE OF PENNSYLVANIA
AND AS SHOWN ON SHEETS 6 THROUGH 12
CONTAINED IN TELEPHONE – PA PUC NO. 23
AND AS SHOWN ON MAPS CONTAINED HEREIN

ISSUED: August 22, 2005 EFFECTIVE: September 01, 2005

by

MICHAEL P. SHARRY
DIRECTOR
REGULATORY AND PUBLIC AFFAIRS
COMMONWEALTH TELEPHONE COMPANY
DALLAS, PENNSYLVANIA

DOCKETED
AUG 26 2005
DOCUMENT FOLDER

NOTICE

THIS TARIFF MAKES (DECREASES) IN RATES & RULES

SEE SHEET 2

COMMONWEALTH TELEPHONE COMPANY
SUPPLEMENT NO. 95 – PA P.U.C NO. 24

LIST OF MODIFICATIONS

DECREASE	To the State Tax Adjustment Surcharge
	Section 1 - Seventeenth Revised Sheet 19

GENERAL REGULATIONS
(continued)

STATE TAX ADJUSTMENT SURCHARGE

In addition to the charges provided in this Tariff and other intrastate toll and access tariffs in which this Company concurs, a surcharge, as shown below, will apply to all intrastate charges for service on and after September 1, 2005, except on coin paid customer dialed calls from pay telephones. (C)

For services provided to:

	Surcharge Rate	
End User	-1.231%	(D)
Other Local Exchange Companies	-1.170%	|
All Interexchange Carriers/Resellers	-1.170%	|

The above charges will be recomputed using the same elements prescribed by the Commission as follows:

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