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September 13, 2024

Ms. Rosemary Chiavetta Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
Post Office Box 3265  
Harrisburg, Pennsylvania 7105-3265

Dear Secretary Chiavetta:

Enclosed for filing is Verizon North LLC's revised tariff page for Telephone-PA P.U.C. No. 4, Section 1A. In accordance with the Commission's February 3, 2005 Order, this filing revises the current State Tax Adjustment Surcharge (STAS) from -1.268% to -1.246% for end user customers. For access user customers, the rate will change from -1.205% to -1.183%.

These changes will take effect on October 1, 2024.

An executive overview and calculations supporting the new surcharge rates are also enclosed. The revised tariff will appear on the Verizon North LLC website.

If you have questions concerning this matter, please contact Dayanara Fierro at [dayanara.fierro@verizon.com](mailto:dayanara.fierro@verizon.com).

Sincerely,

Douglas R. Smith

Attachments

## **VERIZON NORTH LLC**

### **I. State Tax Adjustment Surcharge Filing – STAS Effective on October 1, 2024**

#### **EXECUTIVE OVERVIEW**

Enclosed for filing is Verizon North LLC's revised tariff page for Telephone-PA P.U.C. No. 4, Section 1A. In accordance with the Commission's February 3, 2005 Order, this filing revises the current State Tax Adjustment Surcharge (STAS) effective October 1, 2024. The new rate will change to -1.246% for end user customers, and -1.183% for access user customers.

The Pennsylvania Department of Revenue eliminated the Capital Stock/Foreign Franchise tax for tax years beginning January 1, 2016 and after. Verizon North used Tax Year 2015 in last year's filing to calculate the STAS surcharges because it was the most recent tax year data available. This tax accounted for more than 80% of the STAS surcharge calculation in last year's STAS filing, which along with the Public Utility Realty Tax Assessment (PURTA) resulted in a negative surcharge (i.e., a monthly bill credit).

The STAS negative surcharges in this filing exclude the Capital Stock/Foreign Franchise tax from the calculations.

The tariff contained in this filing will become effective on October 1, 2024 and will apply to intrastate charges for service rendered on or after that date.

This filing fully complies with the safety, adequacy, reliability and privacy considerations required.

Telephone Pa. P.U.C. No. 4

# VERIZON NORTH LLC

LOCAL GENERAL TARIFF

FOR

II. ALL PENNSYLVANIA

ISSUED SEPTEMBER 13, 2024

EFFECTIVE OCTOBER 1, 2024

By Douglas R. Smith, Vice President  
401 S. High Street  
West Chester, PA USA 19382

## NOTICE

This tariff changes the rates for the Pennsylvania State Tax Adjustment Surcharge (STAS).  
Pa. P.U.C. No. 4

Section 1A, 74th Revised Sheet 1, Canceling 73rd Revised Sheet 1

## SURCHARGES

## 1. STATE TAX ADJUSTMENT SURCHARGE

In addition to the charges provided in this tariff and other intrastate tariffs of the Company, a surcharge, as shown below, will apply to all intrastate charges for service rendered on or after October 1, 2024. (C)

For services provided to:	Surcharge Rate	
End User	- 1.246%	(D)
Access User	- 1.183%	(D)

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

- (a) Whenever any of the tax rates used in the calculation of the surcharge are changed.
- (b) Whenever the utility makes effective any increased or decreased rates.
- (c) And on March 31, 1971, and each year thereafter.

The above recalculation will be submitted to the Commission within ten days after the occurrence of the event or date which occasioned such recomputation; and that if the recomputed surcharge is less than the one in effect, the utility will, and if the recomputed surcharge is more than the one in effect, the utility may submit with such recomputation, a tariff or supplement to reflect such recomputed surcharge, the effective date which shall be ten days after filing.

The Access User STAS surcharge rate is based on Intrastate billings to Interexchange Carriers and Local Exchange Carriers, and includes Switched Access, Special Access and other Access Services.

**Verizon North, LLC****CALCULATION OF STAS SURCHARGE RATES FOR 9/1/23 THROUGH 8/31/24**

For Period 7/1/23 through 6/30/24

In accordance with PUC Order in Docket No. P-00042118

Page 1 of 2

**1. Capital Stock Tax - 12 month amounts**

Tax Millage in basic rates (1997)

Tax Millage revised to:

Tax Base (Use most recently settled valuation)

Effective Tax Rate Increase / (Decrease)

Intrastate Separations Factor

Total Capital Stock Increase / (Decrease)

Capital Stock Cap for STAS per Settlement Agreement

\$ -

**2. Public Utility Realty Tax Assessment (PURTA) 12 month amounts****2019 PURTA**

8/1/24 Notice of Determination Adjustments:

30

Adjustment to 2019 Liability

Total 2019 PURTA Increase/(Decrease)

\$ 30

Intrastate Separations Factor

0.74986

2019 PURTA Increase / (Decrease)

\$ 22

**2020 PURTA**

8/1/24 Notice of Determination Adjustments:

46

Adjustment to 2020 Liability

Total 2020 PURTA Increase/(Decrease)

\$ 46

Intrastate Separations Factor

0.74986

2020 PURTA Increase / (Decrease)

\$ 34

**2021 PURTA**

8/1/24 Notice of Determination Adjustments:

32

Adjustment to 2021 Liability

Total 2021 PURTA Increase/(Decrease)

\$ 32

Intrastate Separations Factor

0.74986

2021 PURTA Increase / (Decrease)

\$ 24

**2022 PURTA**

8/1/24 Notice of Determination Adjustments:

255

Adjustment to 2022 Liability

Total 2022 PURTA Increase/(Decrease)

\$ 255

Intrastate Separations Factor

0.74986

2022 PURTA Increase / (Decrease)

\$ 191

**2023 PURTA**

Net Book Value of PURTA Property as of 12/31/22

\$ 31,324,862

PURTA at old rate included in tariff (42 mills)

X 0.0420000

\$ 1,315,644

2023 PURTA Tax per 8/1/23 Notice of Determination

788,710

PURTA Increase/(Decrease) from old rate

(526,934)

Total 2023 PURTA Increase/(Decrease)

\$ (526,934)

Intrastate Separations Factor

0.74986

2023 PURTA Increase / (Decrease)

\$ (395,129)

Total PURTA Increase / (Decrease)

\$ (394,858)

**3. Total Intrastate Capital Stock Tax and PURTA for STAS- 12 month amounts**

\$ (394,858)

**Verizon North, LLC**

**CALCULATION OF STAS SURCHARGE RATES FOR 9/1/23 THROUGH 8/31/24**

For Period 7/1/23 through 6/30/24

In accordance with PUC Order in Docket No. P-00042118

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 12 mos end 6/20	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)
<b>STAS Credits- 12 month amounts</b>									
a. Access User & LEC	\$ 1,755,637	\$ -	\$ 1,755,637	100.00%	\$ 1,755,637	5.26%	\$ (20,770)	N/A	\$ (20,770)
b. End User	31,605,029	-	31,605,029	100.00%	31,605,029	94.74%	(374,088)	(19,689)	(393,777)
c. Total	\$ 33,360,666	\$ -	\$ 33,360,666		\$ 33,360,666	100.00%	\$ (394,858)	\$ (19,689)	\$ (414,547)

5. **Calculation of Surcharge Rate**

	Access User & LEC Rate	End User Rate
a. Tax Expense Increase / (Decrease), Line 4g., and 4h., Column (I)	\$ (20,770)	\$ (393,777)
b. Revenue For Effective Time Period, Line 4g. And 4h. Column (E)	\$ 1,755,637	\$ 31,605,029
c. Surcharge Rate to be Applied, Line 5(a) / 5(b)	-1.183%	-1.246%