

Charges on Your Phone Bill



Many consumers do not understand the various charges and items on their monthly phone bills. Here is a quick reference that describes some of these charges:

- **911 or E911 Charge** – This fee is charged by local governments to help pay for emergency services. State law allows counties to recover the cost for 911 systems. Your county’s class (which is determined by population) determines the maximum fee that can be collected per telephone line. The Public Utility Commission reviews the contribution rates to make sure they do not exceed the allowable amount. All telephone customers pay this fee.
- **Access Charge** – This fee is charged by a local telephone company for the use of its local network. The Federal Communications Commission (FCC) allows local companies to bill customers for a portion of the costs of providing access to its network. While the FCC permits this charge, it is not a government charge or tax. The maximum allowable access charges per telephone line are set by the FCC. Access charges for second or additional lines at the same residence are higher than the charges for the primary line. This charge may be labeled on your telephone bill as: Federal or Interstate Access Charge, Customer or Subscriber Line Charge. All telephone customers pay this fee.
- **Federal Excise Tax** – This is a set percentage tax on local telecommunications service. As of July 31, 2006, this tax is no longer charged to customers who subscribe to bundled local and long distance service, and long distance service. This tax is mandated by the Federal government.
- **Local Number Portability Surcharge (LNP)** – The FCC allows local telephone companies to recover certain costs for providing telephone “number portability” to its customers. This provides residential and business telephone customers with the ability to retain, at the same location, their existing local telephone number when switching from one local service provider to another. This not a tax, but rather a fixed monthly charge. Telephone companies may access this charge for a maximum five year period, but it may not charge customers who participate in the Lifeline assistance program.

(over)

- **PA Gross Receipts Tax Surcharge** – This tax is charged by the State government on goods and services. All telephone providers that service your area will charge the same tax rate.
- **PA Relay Surcharge** – This surcharge funds the State relay center that transmits and translates telephone calls for persons who are deaf, hard of hearing, or who have speech and language disorders. All telephone customers pay this surcharge.
- **Universal Service Fund (USF)** – This fund helps to make phone service affordable and available to all U.S. consumers. The fund provides discounted phone service to low income customers, those living in rural and high cost areas, rural health care facilities, libraries and schools. All telephone companies providing interstate service must contribute to the USF and many carriers choose to pass their contribution costs on to their customers.

The charges and taxes listed above are all costs associated with basic telephone service. Your phone bill may include other charges associated with products or services you have chosen. This may include but is not limited to: directory assistance, monthly calling plans, operator assisted calls, and optional services (caller ID, call waiting, etc).

If you have a question or concern about a charge on your bill, you should contact your telephone company at the customer service number listed on your phone bill. Additional assistance can be obtained from this office:

Pennsylvania Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
(717) 783-5048 • consumer@paoca.org

Toll-Free for PA Consumers: 1-800-684-6560
www.oca.state.pa.us