



Advanced Communications Solutions

Understanding Your Taxes, Fees, And Surcharges

Telecommunications services are some of the most taxed services by governments and municipalities on the federal, state, and local level. In addition, there are fees on your bill, which are not government-mandated charges. This can result in an invoice with line items that are hard to understand. To assist you in understanding the taxes, fees and surcharges that may appear on your invoice, we have compiled the below information from a variety of governmental and non-governmental sources. The amounts of these various surcharges will vary depending upon the state, county and municipality where you have services.

Tax / Fee / Surcharge	Description
Federal Excise Tax	A federal tax levied on consumers for the use of certain taxable local telecommunications services.
911 Surcharge	This surcharge goes to compensate state and local public agencies operating your local emergency telephone systems.
Gross Receipt Taxes Sales Taxes School District Taxes	The names and amounts of these fees vary greatly and depend upon your location. Each state, county and municipality has special taxes that every telecommunication provider is required to collect on their behalf.
NY State Excise Tax Metro Commuter Transportation District NY MTA Surcharge On Excise Tax	New York Franchise 184, 186, 184a, and 186c taxes levied on local phone carriers operating in New York whose primary business is providing local service. Section 184a and 186c taxes are levied only on services provided in the Metropolitan Commuter Transportation District.
Federal Universal Service Fund	A charge to recover the company's contribution to Federal Universal Service Funds, which provide for affordable telecommunications services for rural regions, low-income residential customers, and schools and libraries.
NY PUC Fee	A fee to recover the company's mandatory contribution to the NY state regulatory body.
Network Infrastructure Fund	This fee funds the continued

	<p>construction, maintenance and enhancement to the telecommunications and broadband data network CornerStone uses to service its customers.</p>
ILEC Recovery Surcharge	<p>A fee charged by the Company due to increased wholesale costs and the administrative costs to collect and remit taxes, charges and regulatory fees. This charge is not mandated by any governmental authority.</p>
OSS Recovery Surcharge	<p>The charge covers investments in network enhancements, wholesale network access and maintenance associated with those systems and accesses. This fee is not a tax or a government imposed fee.</p>
Network Access Charge	<p>When you make a phone call, your line makes connections crossing several different carriers. This per line fee enables access to other carriers and offsets costs associated with interconnecting your line to other carriers.</p>
Carrier Cost Recovery Fee	<p>This fee covers the costs per line associated with access to local, regional, and long distance networks for national and international calls, and origination and termination of calls through the local network. This charge is not mandated by any governmental authority.</p>
Local Number Portability	<p>When you change providers, you can keep the same telephone number. This fee is charged to help cover the costs of the systems, which allow that service.</p>