Understanding Your Telephone Bill

Background

Consumers are sometimes confused by the various charges and items on their monthly telephone bills. The FCC's Truth-in-Billing rules require telephone companies to provide clear, non-misleading, plain language in describing services for which you are being billed. The company sending you the bill must identify the service provider associated with each charge. If a bill contains charges in addition to basic local service, it must distinguish between charges for which non-payment will result in disconnection of basic local service, and charges for which non-payment will not result in disconnection. Telephone companies must also display, on each bill, one or more toll-free numbers that you can call to ask about or dispute any charge on the bill.

Here is a detailed description of some of the charges or line items that may appear on your traditional wireline telephone bill, your wireless telephone bill, or both.

Charges on Both Wireline and Wireless Telephone Bills

Access Charges

- Access charges are fees charged subscribers or other telephone companies by a local telephone company for the use of its local network.

- The FCC allows local telephone companies to bill customers for a portion of the costs of providing access. These charges are not a government charge or tax. The maximum allowable access charges per telephone line are set by the FCC, but local telephone companies are free to charge less or nothing at all. Access charges for second or additional lines at the same residence are higher than the charges for the primary line. These charges can be described on your telephone bill as "Federal Access Charge," "Customer or Subscriber Line Charge," "Interstate Access Charge," etc.

- State public service commissions regulate access charges for intrastate (within a state) calls. In some states, a state subscriber line charge may appear on customer bills.

Federal Excise Tax

- This three percent tax is now applied only to local service billed separately from long distance service.

State & Local Taxes

- These taxes are imposed by state, local, and municipal governments on goods and services. They may also appear as "gross receipts" taxes on your bill.

Universal Service Charges

- The Universal Service Fund (USF) provides support to promote access to telecommunications services at reasonable rates for those living in rural and high-cost areas, income-eligible consumers, rural health care facilities, and schools and libraries.

- All telecommunications service providers and certain other providers of telecommunications must contribute to the federal USF based on a percentage of their interstate and international end-user telecommunications revenues. These companies include wireline phone companies, wireless phone companies, paging service companies, and certain Voice over Internet Protocol (VoIP) providers.

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- Some consumers may notice a “Universal Service” line item on their telephone bills. This line item appears when a company chooses to recover its USF contributions directly from its customers by billing them this charge. The FCC does not require this charge to be passed on to customers. Each company makes a business decision about whether and how to assess charges to recover its Universal Service costs. These charges usually appear as a percentage of the consumer’s phone bill. Companies that choose to collect Universal Service fees from their customers cannot collect an amount that exceeds their contribution to the USF. They also cannot collect any fees from a Lifeline program participant.

911, LNP, and TRS Charges

- **911** – Charge imposed by local governments to help pay for emergency services such as fire and rescue.

- **Local Number Portability (LNP)** – Telephone number portability allows residential and business customers to retain, at the same location, their existing local telephone numbers when switching from one telephone service provider to another. Companies may assess fees to recover the costs that they incur in providing number portability. Fees may vary by company, and some companies may not charge any fees. These fees are not taxes.

- **Telecommunications Relay Service** – Charge to help pay for the relay center that transmits and translates calls for people with hearing or speech disabilities.

Other Charges

- **Directory Assistance** – Any charges for placing 411 or (area code) 555-1212 directory assistance calls.
- **Monthly Calling Plan Charge** – Charge applicable to any monthly calling plan such as unlimited long distance calling on your wireline bill or unlimited minutes on your wireless bill.

- **Operator Assisted Calls** – Charges for any calls connected by an operator. Rates for these calls generally are higher than rates for unassisted calls.

- **Features Charges** – Both wireline and wireless telephone companies offer features such as call forwarding (transferring incoming calls to another telephone number); three-way calling (holding an incoming call, placing a call to a second number, and allowing three parties to participate); call waiting (providing a signal during an ongoing call to notify that another party is calling the subscriber); voice mail (message service much like an answering machine); and Caller Identification (Caller ID) (allowing the subscriber to view the telephone number of an incoming call on a display screen). With Caller ID, non-listed or non-published numbers may be displayed unless the non-listed or non-published subscriber requests that they not be.

Charges Only on Your Wireline Telephone Bill

- **Minimum Monthly Charge** – A minimum monthly charge assessed by some long distance companies even if you don’t make long distance calls.

- **“Single Bill” Fee** – Charge for combining local and long distance charges onto one bill. This fee is not mandated by the FCC and is not an FCC charge. Some companies waive the fee for customers who pay bills online or by credit card. Customers can avoid the charge by arranging for separate billing from their long distance telephone company.

Charges Only on Your Wireless Telephone Bill

Airtime Charges

- Airtime charges are per-minute charges for the time you spend talking on your wireless telephone. Some wireless providers round fractions of minutes to the next highest one, two, or three minutes. For example,

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if you talk 22 minutes and 28 seconds, it will be counted as 23 minutes for a 1-minute increment plan and 24 minutes for a 2-minute increment plan.

Roaming Charges

- Roaming charges require you to pay for using your wireless telephone outside of the "home" service area as defined by your service provider in your service plan or contract.
- Wireless providers typically charge higher per-minute rates for calls made or received while roaming. They may also apply additional fees, such as a daily access fee.

911 Charges

- Enhanced 911 or E911 service enables wireless telephones used to dial 911 to automatically transmit the caller's geographic position to emergency responders. Wireless service providers are improving their networks to provide E911 capability according to a schedule established by the FCC. The specific requirements and schedules can be found on the FCC website at **www.fcc.gov/pshs/services/911-services**. Wireless service providers may choose to pass their costs of providing E911 service on to their customers and this charge may be described as an E911 charge on your wireless telephone bill.

Text Messaging

- This service allows sending of short messages, usually less than one hundred characters in length. Subscribers can be charged either a per-message fee or a flat, monthly fee for unlimited messaging.

Downloading Fees

- These are fees charged for downloading options offered by your wireless service provider, such as ring tones, or, if your service plan includes Internet access, any fees for downloading data from the Internet.

Detailed Billing

- This service provides detailed information such as date, time, duration, type of call (incoming or outgoing), number called, or calling party, for each call.

Filing a Complaint

If neither the company sending you the bill nor the company that provided the service in question will remove charges from your telephone bill that you consider to be incorrect, you can file a complaint as follows with:

- the FCC for charges related to telephone services between states or internationally.
- your state public service commission for telephone services within your state.
- the FTC for non-telephone services on your telephone bill.

Filing a Complaint With the FCC

You can file a complaint using an FCC online complaint form found at **www.fcc.gov/complaints**. You can also file your complaint with the FCC's Consumer Center by calling 1-888-CALL-FCC (1-888-225-5322) voice or 1-888-TELL-FCC (1-888-835-5322) for TTY; faxing 1-866-418-0232; or writing to:

Federal Communications Commission
Consumer and Governmental Affairs Bureau
Consumer Inquiries and Complaints Division
445 12th Street, S.W.
Washington, DC 20554

What to Include in Your Complaint

The best way to provide all the information needed for the FCC to process your complaint is to complete fully the online complaint form. When you open the online complaint form, you will be asked a series of questions that will take you to the particular section of the form you need to complete. If you do not use the online complaint form, your complaint, at a minimum, should indicate:

- your name, address, email address and phone number where you can be reached.
- telephone and account numbers that are the subject of your complaint.
- names and phone numbers of any companies involved with your complaint.
- amount of any disputed charges, whether you paid them, whether you received a refund or adjustment to your bill, the amount of any adjustment or refund you have received, an explanation if the disputed charges are related to services in addition to residential or business telephone services.
- details of your complaint and any additional relevant information.

Filing a Complaint with Your State Public Service Commission or the FTC

For charges for telephone services provided within your state, you should contact your state public service commission. Contact information for your state public service commission can be found at **www.naruc.org/Commissions**, or in the blue pages or government section of your local telephone directory.

For charges on your telephone bill for non-telephone services, file your complaint with the Federal Trade Commission (FTC). You can file a complaint with the FTC online at **https://www.ftccomplaintassistant.gov**. You can also submit a complaint by calling the FTC toll-free at 1-877-382-4357 (voice) or 1-866-653-4261 (TTY), or writing to:

Federal Trade Commission
CRC-240
600 Pennsylvania Ave., NW
Washington, DC 20580.

For More Information

For information about other communications issues, visit the FCC's Consumer website at **www.fcc.gov/consumers**, or contact the FCC's Consumer Center using the information provided for filing a complaint.

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For this or any other consumer publication in an accessible format (electronic ASCII text, Braille, large print or audio), please write or call us at the address or phone number below, or send an email to FCC504@fcc.gov.

This document is for consumer education purposes only and is not intended to affect any proceedings or cases involving this subject matter or related issues.

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