

FEB 25 1999

WASH. UT. & TRANS. COMM.

For Commission's Receipt Stamp

KALAMA TELEPHONE COMPANY

(N)

SCHEDULE NO. 47

ADJUSTMENT TO RATES AND CHARGES
FOR RECOVERY OF EXISE TAXES

APPLICABILITY:

The rates and charges applicable under other schedules of this Tariff do not include any portion of occupation, business, use of streets, excise or license taxes or fees levied upon the Company by any municipality, county or other local taxing jurisdiction.

In order to reimburse the Company for such taxes and fees, amounts equivalent to such taxes and fees where now imposed, or which may hereafter be imposed, will be billed by the Company to its exchange customers within the jurisdiction of the municipality or other taxing entity imposing the tax, on a pro-rata basis, as set forth below.

TAX ADJUSTMENT:

The rates and charges applicable under other schedules of this Tariff for each subscriber within the territorial limits of each of the following taxing jurisdictions shall be increased on a pro-rata basis by a sum equivalent to the amount of the following described taxes and fees which the Company is required to pay with respect to to the taxing jurisdiction, subject to the conditions set forth hereinbelow:

| <u>(a)</u> <u>Taxing</u> <u>Jurisdiction</u> | <u>(b)</u> <u>Ordinance</u> <u>Number</u> | <u>(c)</u> <u>Kind of</u> <u>Tax</u> | <u>(d)</u> <u>Rate</u> |
|--|---|--|---------------------------|
| City of Kalama | 1011 | Business and Occupation | 6% |

(Continued)

Issued February 25, 1999

Effective March 29, 1999

Issued by KALAMA TELEPHONE COMPANY

By *[Signature]*

Title Attorney



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(N)

SCHEDULE NO. 47 (Continued)

ADJUSTMENT TO RATES AND CHARGES FOR
RECOVERY OF EXCISE TAXES

CONDITIONS:

- 1 In taxing jurisdictions where the ordinance or similar edict creating one of the above-referenced taxes does not provide for a tax on the amounts collected for the applicable tax, the tax rate for billings will be applied in accordance with the ordinance to the rates and charges applicable under other schedules of this Tariff, as applicable, on each subscriber bill.
2. In taxing jurisdictions where the ordinance or similar edict creating one of the above-referenced taxes provides for a tax on the amounts collected for the applicable tax, an effective tax rate for billing will be determined by relating the amount of tax imposed by the ordinance or edict to revenues. The effective rate so determined will be applied to the rates and charges applicable under other schedules of this Tariff, as applicable, on each subscriber bill.
- 3 The tax adjustment rates set forth in this schedule will be applied to those rates and charges, applicable under other schedules of this Tariff, that give rise to revenues which, under the terms of the relevant ordinance, are subject to tax or form the basis for the relevant fee imposed by the taxing jurisdiction.
- 4 Where more than one tax is applicable in any one taxing jurisdiction, the pro-rata percentage applicable to the relevant rates and charges on each subscriber bill will be the pro-rata portion of the sum of the effective rates of each applicable tax.

In taxing jurisdictions where the ordinance or other edict creating one of the above-referenced taxes provides also for a business license fee or occupation license fee, the effective tax rate for billing will be determined by relating the amount of that fee and the tax imposed to relevant revenues. The effective rates so determined will be applied to the rates and charges applicable under other schedules of this Tariff, as applicable, on each subscriber bill.

Issued February 25, 1999 Effective March 25, 1999

Issued by KALAMA TELEPHONE COMPANY

By *[Signature]*

Title Attorney

