

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, AUGUST 21, 2024

REGISTRY OFFICE
STATE OF VIRGINIA

21085688

IN THE MATTER OF

CENTURYLINK COMMUNICATIONS, LLC

2024 AUG 21 A 8:31
MATTER NO. PST-2024-00013-6341

Supplemental Assessment for Gross
Receipts Subject to the Minimum Tax
and Special Regulatory Revenue Tax
for the Tax Years 2021, 2022, and 2023

SUPPLEMENTAL ASSESSMENT ORDER

Pursuant to § 58.1-2025 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is authorized to assess the value of any subject of taxation that has not been assessed properly for the current tax year and the prior three years. In accordance with Article 10 of Chapter 3 of Title 58.1 of the Code, the Commission annually has determined the gross receipts subject to the minimum tax on telecommunications companies and has certified the same to the Virginia Department of Taxation. Also, in accordance with Article 6 of Chapter 26 of Title 58.1 of the Code, the Commission annually has assessed a special regulatory revenue tax on telephone companies covered by Code § 58.1-2660 A 3.

It has come to the attention of the Commission that certain gross receipts of CenturyLink Communications, LLC ("Company"), were erroneously reported to the Commission for the Tax Years 2021, 2022, and 2023.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that a supplemental assessment shall be, and hereby is, made on said revised gross receipts for purposes of: (i) assessing those gross receipts subject to the minimum tax and reporting the same to the Virginia Department of Taxation and (ii) assessing the special regulatory revenue tax, penalty, and interest for the Tax Years 2021, 2022, and 2023 as set out below.

CenturyLink Communications, LLC.

2021 TAX YEAR

	<u>Subject to Special Tax</u>	<u>Subject to Minimum Tax</u>
Gross Receipts	\$ 72,063,819.00	\$ 225,663,108.00
Special Regulatory Revenue Tax at 0.20%	144,127.64	
Penalty at 10%	14,412.76	
Interest	30,591.78	
2021 Tax Year Total	\$ 189,132.18	

2022 TAX YEAR

	<u>Subject to Special Tax</u>	<u>Subject to Minimum Tax</u>
Gross Receipts Jan.-Jun,	\$ 29,849,156.00	\$ 207,568,139.00
Gross Receipts Jul.-Dec.	\$ 27,148,277.00	
Special Regulatory Revenue Tax		
Jan.-Jun. at 0.20%	59,698.31	
Jul.-Dec. at 0.22%	59,726.21	
Penalty at 10%	11,942.45	
Interest	16,969.73	
2022 Tax Year Total	\$ 148,336.70	

2023 TAX YEAR

	<u>Subject to Special Tax</u>	<u>Subject to Minimum Tax</u>
Gross Receipts	\$ 40,707,443.00	\$ 160,479,284.00
Special Regulatory Revenue Tax at 0.22%	89,556.37	
Penalty at 10%	8,955.64	
Interest	3,697.57	
2023 Tax Year Total	\$ 102,209.58	
GRAND TOTAL	\$ 439,678.46	

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code §§ 58.1-2025 and 58.1-400.1, this supplemental assessment shall be made on the corrected total gross receipts of the Company subject to the minimum tax as set forth above and certified to the Virginia Department of Taxation.

(2) This supplemental assessment of the revised gross receipts subject to the special regulatory revenue tax, penalty, and interest shall be made on the Company as set forth above pursuant to the provisions of Code §§ 58.1-2025, 58.1-2660, 58.1-2662.1, and 58.1-2664.

(3) The taxes herein assessed shall be paid by the Company within thirty (30) days from the date of this Order.

A COPY of this Order shall be sent by the Clerk of the Commission to Todd H. Andrews, Director of the Public Service Taxation Division, who shall cause a copy thereof to be provided to the Virginia Department of Taxation and to CenturyLink Communications, LLC.