



August 17, 2023

Utah Public Service Commission
160 E. 300 S., 4th Floor
Heber Wells Building
Salt Lake City, UT 84111

PUBLIC SERVICE COMMISS
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Re: Filing Modification Request

To whom it may concern:

Liberty Mobile Puerto Rico Inc., whom we will refer to as "Liberty," has engaged KPMG LLP ("KPMG") to assist in resolving prior period transaction tax filing obligations and tax liabilities relating to the circumstances outlined below.

DESCRIPTION OF ACTIVITIES

Liberty is in the telecommunications business and mainly provides prepaid and postpaid mobile communications services to residential and business customers in Puerto Rico and the U.S. Virgin Islands. On October 31, 2020, Liberty acquired AT&T's former subsidiaries that conducted wireless and wireline operations in Puerto Rico and the U.S. Virgin Islands, including employees, network assets and spectrum, real estate and leases, and more than 1 million wireless subscribers in Puerto Rico and the U.S. Virgin Islands. The companies were named AT&T Mobility Puerto Rico Inc. and AT&T Mobility USVI Inc. and were renamed by Liberty as indicated above. Under the terms of the transaction, Liberty understood its new wireless subscribers had a place of primary use ("PPU") only in either Puerto Rico or the U.S. Virgin Islands. For three years after the closing of the acquisition, AT&T contracted to provide Liberty with certain operational functions of the acquired business, specifically the billing functions for the newly acquired customers. Liberty does not know where AT&T conducts the billing activity. Liberty is headquartered outside of Utah. Liberty does not maintain any offices, employees, or property within and Liberty is not currently registered in for transaction tax. Liberty has also not previously filed transaction tax returns with or been audited by the Utah Public Service Commission with respect to Universal Service Fund.

During an internal compliance review, Liberty's Tax Department has since discovered that several of the newly acquired customers that AT&T identified to their Puerto Rico and U.S. Virgin Islands businesses may have identified their PPU in Utah. Therefore, Liberty is concerned that it may have a Universal Service Fund filing responsibility if any acquired customers had been deemed to have a PPU located in Utah. Liberty has also subsequently confirmed that, from the date of acquisition, AT&T as its billing and collection service provider, collected Universal Service Fund from Liberty's customers with a PPU and remitted those tax collections to Liberty.

REPRESENTATIONS AND REASONS FOR NON-COMPLIANCE

In light of these events and the considerable effort needed to prepare thousands of tax returns in hundreds of jurisdictions, Liberty endeavors to become compliant with Utah Public Service Commission as quickly as possible. To expedite full compliance, we kindly request the opportunity to provide payment of the approximate taxes collected within the jurisdiction of \$889.97 between October 31, 2020, to March 31, 2023, by August 15, 2023, in lieu of submitting monthly tax returns or granted the avenue to provide annual returns for years 2020, 2021, and 2022. Additionally, we request a pause on any escalated collection efforts as we work to obtain full compliance.

We have submitted the necessary registration for the jurisdiction along with this letter and will begin filing current taxes starting with taxes collected for April 2023.

Liberty has established a dedicated channel of communication for our efforts in this matter. Please email us at the following:

indirect.taxes@libertypr.com

Thank you,

Sean Fitzgerald