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**SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)****2.7 Taxes and Fees**

**2.7.1** All state and local taxes (e.g., sales tax) are listed as a separate line item on the Customer's bill and are not included in the quoted rates and charges set forth in this tariff.

**2.7.2** To the extent that a municipality, other political subdivision or agency of government, or the Commission imposes upon and collects from the Company a gross receipts tax, occupation tax, license tax, permit fee, franchise fee, or regulatory fee, such taxes and fees shall, insofar as practicable and allowed by law, be billed pro rata to Customers receiving service from the Company within the territorial limits of such municipality, other political subdivision or agency of government.

**2.7.3 Gross Revenue Surcharge**

The Gross Revenue Surcharge is applied monthly as a percentage of the recurring and nonrecurring rates and charges for all intrastate service except returned check charges and late payment charges. The applicable Gross Revenue Surcharge rates are shown on the price list which is at the end of this tariff. Any changes to these rates will be filed on 15 days' notice to Customers and the Commission, and as directed by the Commission. Whenever the state levies a new tax on the Company's gross revenues, repeals such a tax, or changes the rate of such a tax, the Commission may approve new surcharge factors, and the Company will file a revised surcharge as directed or approved by the Commission.

**2.7.4 MTA Surcharge**

The MTA Surcharge is applied monthly as a percentage of the recurring and nonrecurring rates and charges for all intrastate services except returned check charges and late payment charges. The applicable MTA Surcharge rate for affected areas is shown on the price list which is at the end of this tariff. Any changes to these rates will be filed on 15 days' notice to Customers and the Commission, and as directed by the Commission. Whenever the state levies a new tax on the Company's gross revenues, repeals such a tax, or changes the rate of such a tax, the Commission may approve new surcharge factors, and the Company will file a revised surcharge as directed or approved by the Commission.