

TELEPHONE & DATA SYSTEMS INC /DE/  
 Form 5  
 January 30, 2008

**FORM 5**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).  
 Form 3 Holdings Reported Form 4 Transactions Reported

**ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person \*  
**CARLSON LEROY T JR**

2. Issuer Name and Ticker or Trading Symbol  
**TELEPHONE & DATA SYSTEMS INC /DE/ [TDS]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)  
 12/31/2007

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 President and CEO

30 N. LASALLE ST., STE. 4000

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Reporting

(check applicable line)

CHICAGO, IL 60602

Form Filed by One Reporting Person  
 Form Filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) |        |       | 5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|--------|-------|--|--|---|
|                                 |                                      |  |                                | (A) Amount  | or (D) | Price |  |  |   |
| Common Shares                   | Â                                    | Â  | Â                              | Â   | Â      | Â     | 4,694.5134   | D  | Â   |
| Special Common Shares           | Â                                    | Â  | Â                              | Â   | Â      | Â     | 23,349.1066  | D  | Â   |
| Common Shares                   | Â                                    | Â  | Â                              | Â   | Â      | Â     | 1,158.011  | I  | By wife   |
| Special Common                  | Â                                    | Â  | Â                              | Â   | Â      | Â     | 6,444.2514   | I  | By Wife   |

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Shares

|                       |            |   |                  |        |   |                   |                                  |   |                 |
|-----------------------|------------|---|------------------|--------|---|-------------------|----------------------------------|---|-----------------|
| Common Shares         | 12/31/2007 | Â | J <sup>(5)</sup> | 493.76 | A | \$ <sup>(5)</sup> | 9,172.28                         | I | By 401K plan    |
| Special Common Shares | 12/31/2007 | Â | J <sup>(5)</sup> | 4.49   | D | \$ <sup>(5)</sup> | 7,979.13                         | I | By 401K plan    |
| Special Common        | Â          | Â | Â                | Â      | Â | Â                 | 1,812,986.0915<br><sup>(7)</sup> | I | By Voting Trust |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

SEC 2270  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) |                  | 7. Title and Underlying Security (Instr. 3 and 4) |   |
|--|--|--------------------------------------|--|--------------------------------|---|--|------------------|---|---|
|  |  |                                      |  |                                | (A)   | (D)  | Date Exercisable | Expiration Date                                   | Title                                   |
| Option (Right to buy)                      | \$ 39.75   | Â                                    | Â  | Â                              | Â   | Â  | 12/15/1998       | 06/22/2008  | Tandem Common and Special Common Shares |
| Option (Right to buy)                      | \$ 66.75   | Â                                    | Â  | Â                              | Â   | Â  | 12/15/1999       | 04/30/2009  | Tandem Common and Special Common Shares |
| Option (Right to buy)                      | \$ 105.13  | Â                                    | Â  | Â                              | Â   | Â  | 12/15/2000       | 05/05/2010  | Tandem Common and Special Common Shares |
| Option (Right to buy)                      | \$ 121.12  | Â                                    | Â  | Â                              | Â   | Â  | Â <sup>(4)</sup> | 09/16/2010  | Tnadem Common and Special               |

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|                        |          |   |   |   |   |   |                  |                   |  |   |
|------------------------|----------|---|---|---|---|---|------------------|-------------------|--|---|
|                        |          |   |   |   |   |   |                  |                   |  | Common Shares                           |
| Option (Right to buy)  | \$ 99.44 | Â | Â | Â | Â | Â | 12/15/2001       | 04/30/2011        |  | Tandem Common and Special Common Shares |
| Option (Right to buy)  | \$ 60.2  | Â | Â | Â | Â | Â | 12/15/2002       | 08/19/2012        |  | Tandem Common and Special Common Shares |
| Option (Right to buy)  | \$ 52.92 | Â | Â | Â | Â | Â | 12/15/2003       | 07/03/2013        |  | Tandem Common and Special Common Shares |
| Option (Right to buy)  | \$ 66    | Â | Â | Â | Â | Â | 12/15/2004       | 05/08/2014        |  | Tandem Common and Special Common Shares |
| Option (Right to buy)  | \$ 77.36 | Â | Â | Â | Â | Â | 12/15/2005       | 04/20/2015        |  | Tandem Common and Special Common Shares |
| Option (Right to buy)  | \$ 49.8  | Â | Â | Â | Â | Â | 12/15/2006       | 12/13/2016        |  | Special Common Shares                   |
| Option (Right to buy)  | \$ 59.45 | Â | Â | Â | Â | Â | 12/15/2008       | 07/02/2017        |  | Special Common Shares                   |
| Restricted Stock Units | Â        | Â | Â | Â | Â | Â | 12/15/2008       | Â <sup>(8)</sup>  |  | Special Common Shares                   |
| Restricted Stock Units | Â        | Â | Â | Â | Â | Â | 12/15/2009       | Â <sup>(10)</sup> |  | Special Common Shares                   |
| Series A Common        | Â        | Â | Â | Â | Â | Â | Â <sup>(1)</sup> | Â <sup>(1)</sup>  |  | Common or Special                       |

| Shares                 |   |            |   |                  |         |   |       |       |                                 |
|------------------------|---|------------|---|------------------|---------|---|-------|-------|---------------------------------|
| Deferred Compensation  | Â | 12/31/2007 | Â | J <sup>(9)</sup> | 76.25   | Â | Â (3) | Â (3) | Common Shares                   |
| Deferred Compensation  | Â | 12/31/2007 | Â | J <sup>(9)</sup> | 114.561 | Â | Â (6) | Â (6) | Special Common Shares           |
| Series A Common Shares | Â | Â          | Â | Â                | Â       | Â | Â (1) | Â (1) | Common or Special Common Shares |
| Series A Common Shares | Â | Â          | Â | Â                | Â       | Â | Â (1) | Â (1) | Common or Special Common Shares |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                     |       |
|---|---------------|-----------|---------------------|-------|
|   | Director      | 10% Owner | Officer             | Other |
| CARLSON LEROY T JR<br>30 N. LASALLE ST., STE. 4000<br>CHICAGO, IL 60602 | Â X           | Â         | Â President and CEO | Â     |

## Signatures

Julie D. Mathews, by power of atty 01/30/2008

\*\*Signature of Reporting Person Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Series A Common shares are convertible, on a share-for-share basis, into common or special common.  
Reporting person is one of four trustees which is record owner of these shares which files its holdings on forms 4. Of these Series A Common shares, 83,917.374138 (including 16451.374138 acquired in dividend reinvestment) are held as custodian for children and 9090.259821 (including 1133.259821 acquired in dividend reinvestment) are held by spouse, and 686345.663 (including 16348.663 acquired in dividend reinvestment) shares are held by a family partnership of which reporting person is a general partner. Of the remaining shares, 2692.161 were earned pursuant to a dividend reinvestment plan. Reporting person disclaims beneficial ownership of shares owned by wife and as custodian for children. In addition, 862,693 Series A common Shares owned by family limited partnership of which reporting person and his spouse each hold 500 general partnership interests and collectively hold 99,000 limited partnership interests.
- (3) Reporting person deferred bonuses pursuant to the TDS Long Term Incentive Plan. Employer matches vest ratably at a rate of 33%, 33%, 34% over three years. A total of 12,314.60 common shares units were vested at 12/31/07.
- (4) Granted under the TDS 1998 Long Term Incentive Plan. The option is exercisable with respect to 14,180 common shares on 12/15/01, 12/15/02, 12/15/03 and 12/15/04 for a total of 56,720 common shares.
- (5) Voluntary reporting of shares acquired in 2007 in the TDS 401K. The information is based on a plan statement dated 12/31/07. The number of shares fluctuates and is attributable to the price of the shares on 12/31/07.

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- (6) Reporting person deferred bonuses pursuant to the TDS Long Term Incentive Plan. Employer matches vest ratably at a rate of 33%, 33% and 34% over three years. A total of 17,404.31 special common share units were vested at 12/31/07.
- Reporting person is one of four trustees which is record owner of these shares which files its holdings on forms 4. Of these Special Common shares, 83959.846 (including 16493.846 acquired in dividend reinvestment) are held as custodian for children and 13415.946 (including 1144.946160 acquired in dividend reinvestment) are held by spouse, and 684960.4225 (including 14963.4225 acquired in dividend reinvestment) shares are held by a family partnership of which reporting person is a general partner. Of the remaining shares, 0.878 were earned pursuant to a dividend reinvestment plan. Reporting person's GRAT own 525,452 and wife's GRAT owns 318,101. Reporting person disclaims beneficial ownership of shares owned by wife and as custodian for children.
- (7)
- (8) Restricted stock unit award pursuant to the Long-Term Incentive Plan. Stock units will become vested on December 15, 2008.
- (9) Voluntary reporting of dividend reinvestment earned in 2007.
- (10) Restricted stock unit award pursuant to the Long Term Incentive Plan. Stock units will become vested on December 15, 2009.

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.