

TELEPHONE & DATA SYSTEMS INC /DE/  
 Form 5  
 January 28, 2008

**FORM 5**

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

OMB APPROVAL

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 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**

(Last) (First) (Middle)

TELEPHONE AND DATA SYSTEMS, INC., 30 N. LASALLE ST., STE. 4000

(Street)

CHICAGO, IL 60602

(City) (State) (Zip)

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

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

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 Chairman Emeritus

6. Individual or Joint/Group Reporting

(check applicable line)

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

**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) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----|--------------------|--------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------|
|                                 |                                      |                                                    |                                | Amount                                                            | (D) | Price              |                                                                                            |                                                          |                                                       |
| Common Shares                   | 12/26/2007                           | ^                                                  | G                              | 1,490                                                             | D   | \$ <sub>(12)</sub> | 47,812.9472                                                                                | D                                                        | ^                                                     |
| Special Common Shares           | ^                                    | ^                                                  | ^                              | ^                                                                 | ^   | ^                  | 22,104.8878                                                                                | D                                                        | ^                                                     |
| Common Shares                   | 12/31/2007                           | ^                                                  | J <sup>(3)</sup>               | 486.57                                                            | A   | \$ <sup>(3)</sup>  | 4,640.15                                                                                   | I                                                        | By 401k plan                                          |

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|                             |            |   |                  |      |   |                   |                                |   |                       |
|-----------------------------|------------|---|------------------|------|---|-------------------|--------------------------------|---|-----------------------|
| Special<br>Common<br>Shares | 12/31/2007 | Â | J <sup>(3)</sup> | 1.99 | D | \$ <sup>(3)</sup> | 3,544.82                       | I | By 401K               |
| Special<br>Common<br>Shares | Â          | Â | Â                | Â    | Â | Â                 | 217,428.1935<br><sup>(8)</sup> | I | By<br>Voting<br>Trust |
| Special<br>Common<br>Shares | Â          | Â | Â                | Â    | Â | Â                 | 9,057.2258                     | I | By wife               |

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

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

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|                                      |          |   |   |   |   |   |                  |                   |  |                                                        |
|--------------------------------------|----------|---|---|---|---|---|------------------|-------------------|--|--------------------------------------------------------|
|                                      |          |   |   |   |   |   |                  |                   |  | Common Shares <sup>(6)</sup>                           |
| Option (Right to buy) <sup>(6)</sup> | \$ 99.44 | Â | Â | Â | Â | Â | 12/15/2001       | 04/30/2011        |  | Tandem Common and Special Common Shares <sup>(6)</sup> |
| Option (Right to buy) <sup>(6)</sup> | \$ 59    | Â | Â | Â | Â | Â | 12/15/2002       | 07/05/2012        |  | Tandem Common and Special Common Shares <sup>(6)</sup> |
| Option (Right to buy) <sup>(6)</sup> | \$ 52.92 | Â | Â | Â | Â | Â | 12/15/2003       | 07/03/2013        |  | Tandem Common and Special Common Shares <sup>(6)</sup> |
| Option (Right to buy) <sup>(6)</sup> | \$ 66    | Â | Â | Â | Â | Â | 12/15/2004       | 05/08/2014        |  | Tandem Common and Special Common Shares <sup>(6)</sup> |
| Option (Right to buy) <sup>(6)</sup> | \$ 77.36 | Â | Â | Â | Â | Â | 12/15/2005       | 04/20/2015        |  | Tandem Common and Special Common Shares                |
| Option (Right to buy)                | \$ 38    | Â | Â | Â | Â | Â | 12/15/2006       | 06/19/2016        |  | Special Common Shares                                  |
| Option (Right to buy)                | \$ 59.45 | Â | Â | Â | Â | Â | 12/15/2007       | 07/02/2017        |  | Special Common Shares                                  |
| Restricted Stock Units               | Â        | Â | Â | Â | Â | Â | 12/15/2008       | Â <sup>(10)</sup> |  | Special Common Shares                                  |
| Restricted Stock Units               | Â        | Â | Â | Â | Â | Â | 12/15/2009       | Â <sup>(11)</sup> |  | Special Common Shares                                  |
| Series A Common                      | Â        | Â | Â | Â | Â | Â | Â <sup>(1)</sup> | Â <sup>(1)</sup>  |  | Common Shares or                                       |

| Shares                 |   |            |   |                  |         |   |       |       | Special Common Shares                  |
|------------------------|---|------------|---|------------------|---------|---|-------|-------|----------------------------------------|
| Series A Common shares | Â | Â          | Â | Â                | Â       | Â | Â (1) | Â (1) | Common Shares or Special Common Shares |
| Deferred Compensation  | Â | 12/31/2007 | Â | J <sup>(9)</sup> | 186.667 | Â | Â (4) | Â (4) | Common Shares                          |
| Deferred Compensation  | Â | 12/31/2007 | Â | J <sup>(9)</sup> | 267.786 | Â | Â (7) | Â (7) | Special Common Shares                  |

## Reporting Owners

| Reporting Owner Name / Address                                                                           | Relationships |           |                     |       |
|----------------------------------------------------------------------------------------------------------|---------------|-----------|---------------------|-------|
|                                                                                                          | Director      | 10% Owner | Officer             | Other |
| CARLSON LEROY T<br>TELEPHONE AND DATA SYSTEMS, INC.<br>30 N. LASALLE ST., STE. 4000<br>CHICAGO, IL 60602 | Â X           | Â         | Â Chairman Emeritus | Â     |

## Signatures

Julie D. Mathews, by power of atty 01/28/2008

\*\*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 shares. Beneficial ownership of shares held in Voting Trust. Reporting person disclaims ownership of 189213.144275 (including 37941.144275 shares acquired pursuant to a dividend reinvestment plan) owned by wife. Includes 6394.240273 shares acquired pursuant to a dividend reinvestment plan.
- (3) 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.
- (4) Reporting person has deferred bonuses pursuant to the Long term incentive plan. The employer match vests ratably at 33%, 33% and 34% per year over a 3 year period. Common share units vested at 12/31/07 were 30,387.43.
- (5) Granted under the TDS 1998 Long term incentive plan. The option is exercisable with respect to 8590 common shares on 12/15/01, 12/15/02, 12/15/03 and 12/15/04 for a total of 34,360 common shares. Common shares were granted without consideration under the long term incentive plan. As a result of the special common stock dividend, all options to purchase common shares as of May 13 under the long term incentive plan, whether vested or unvested, were adjusted into tandem options. The tandem option provides that upon exercise, the optionee purchases the number common shares originally subject to the option plus an equal number of special common.
- (7) Reporting person has deferred bonuses pursuant to the Long term incentive plan. The employer match vests ratably at 33%, 33% and 34% per year over a 3 year period. Special common share units vested at 12/31/07 were 40,920.61.

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- Beneficial ownership of shares held in Voting Trust. Reporting person disclaims ownership of 188,183.1444 (including 36911.144 shares acquired pursuant to a dividend reinvestment plan) owned by wife. Includes 2591.049179 shares acquired pursuant to a dividend reinvestment plan.
- (8) shares acquired pursuant to a dividend reinvestment plan) owned by wife. Includes 2591.049179 shares acquired pursuant to a dividend reinvestment plan.
  - (9) Voluntary reporting of shares acquired through dividend reinvestment in 2007.
  - (10) Restricted stock unit award pursuant to the 2004 Long-Term Incentive Plan. Stock units will become vested on December 15, 2008.
  - (11) Restricted stock unit award pursuant to the 2004 Long-Term Incentive Plan. Stock units will become vested on December 15, 2009.
  - (12) By gift

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.