Verizon Communications Inc.
EIN: 23-2259884
Date of Action: March 13, 2015
Attachment to Internal Revenue Service Form 8937

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended, and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations relating to the effects of the Exchange (as defined below) on the tax basis of the new notes issued by Verizon Communications Inc. ("Verizon") to holders of five series of existing notes of Verizon in exchange therefor. The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of holders. Verizon does not provide tax advice to holders of its debt obligations and the examples provided below are based on certain assumptions and are merely illustrative. Holders should consult their own tax advisers regarding the particular tax consequences of the Exchange to them, including the applicability and effect of all U.S. federal, state and local and foreign tax laws.

Line 10 – CUSIP Numbers:

<u>Old Notes:</u>	<u>New Notes:</u>
92343VBR4	92343VCV4
92343VAP9	92343VCX0
92343VAK0	92343VCZ5
92343VBS2	
92343VBT0	

14. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.

On March 13, 2015, holders of the outstanding series of notes of Verizon listed below (collectively, the "Old Notes") exchanged their Old Notes for newly issued debt securities of Verizon (the "New Notes") (the "Exchange").

Exchange of the following series of notes for 4.272% notes due 2036 ("New Notes due 2036"):

1. 5.150% notes due 2023

Exchange of the following series of notes for 4.522% notes due 2048 ("New Notes due 2048"):

2. 6.900% notes due 2038
3. 6.400% notes due 2038
4. 6.400% notes due 2033

Exchange of the following series of notes for 4.672% notes due 2055 ("New Notes due 2055"):

5. 6.550% notes due 2043

For more information, see the press release for the final results of the Exchange, available on the SEC website:
https://www.sec.gov/Archives/edgar/data/732712/000119312515088913/d891727dex991.htm.

15. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.

Verizon treated the exchange of the Old Notes for New Notes as recapitalizations.

Recapitalizations generally do not result in the recognition of gain or loss, subject to certain exceptions. However, under the rules applicable to recapitalizations, a holder recognizes gain equal to the lesser of (i) any cash amount received (not including any accrued coupon payment) plus the fair market value of the "excess principal" amount received (collectively, "boot"), or (ii) the gain realized by the holder. The excess principal amount is the excess of the principal amount of New Notes received over the principal amount of Old Notes surrendered for those New Notes. The gain realized by a holder is equal to the excess of (i) the issue price of the New Notes received in exchange for Old Notes, plus any cash received (not including any accrued coupon payment) over (ii) the holder's adjusted tax basis in the Old Notes surrendered in the exchange.

A holder's initial tax basis in the portion of New Notes that are not treated as boot is the same as the holder's tax basis in the Old Notes allocated thereto, increased by the amount of gain recognized by the holder in the exchange, if any, and decreased by the amount of boot that is received by the holder. The portion of the New Notes treated as boot has an initial tax basis in a holder's hands equal to the fair market value of those New Notes.

16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.

For New Notes received in the Exchange, as described in line 15 above, a holder's initial tax basis in the portion of New Notes that is not treated as boot will be the same as the holder's tax basis in the Old Notes allocated thereto, increased by the amount of gain recognized by the holder in the exchange, if any, and decreased by the amount of boot that is received by the holder. The portion of the New Notes treated as boot will have an initial tax basis in a holder's hands equal to the fair market value of those New Notes.

The following simplified examples (which include fractional portions of New Notes for purposes of the examples) illustrate a hypothetical U.S. holder's calculation of its adjusted tax basis in the New Notes received on the exchange date. Given our determination that the issue price of the New Notes is less than the face amount of the New Notes (see line 19 below), the examples assume that the fair market value and the issue price of the New Notes is less than their face amount. The examples below use simplified numbers and assumptions, are for illustrative purposes only, and do not purport to fully describe the actual facts or tax consequences that may apply to a particular holder. Holders should consult their own tax advisers regarding the particular tax consequences of the Exchange to them.

***Assumptions*:**

- Investor A exchanged $1,000 principal amount of an Old Note for a total consideration of $1,300, consisting of New Notes with a principal amount of $1,300. No additional cash was received by A.

- The excess principal amount of New Notes received is treated as equal to the principal amount of the New Notes minus the principal amount of the Old Notes exchanged therefor.

- The New Notes were issued at a fair market value ("FMV") and issue price of $965.30 per face amount of $1,000, or 96.53%. Thus, the issue price of New Notes received in exchange for $1,000 principal amount of an Old Note is approximately $1,255 for New Notes with a principal amount of $1,300 (*i.e.*, $1,300 x 96.53%).

Example 1 (A's basis in the Old Note is equal to its face amount):

Example 1 Old Note:

- Principal Amount (*pa*): $1,000
- Tax Basis (*tb*): $1,000

Exchanged for:	*Exchange Terms*		*Gain on the Exchange*			*New Notes Received*	
	Principal Amount (A)	Issue Price[1] (B)	Boot[2] (C) = FMV of ((A) – (*pa*))	Gain Realized (D) = (B) - (*tb*)	Gain Recognized (E) = Lesser of (C) or (D)	Tax Basis (portion not boot) (F) = (*tb*) + (E) - (C)	Tax Basis (boot portion) (G) = FMV of ((A) – (*pa*))
New Note	$1,300	$1,255	$290	$255	$255	$965	$290

[1] *See* assumptions. Represents issue price of the New Notes ($965.30 per $1,000) received in exchange for $1,000 principal amount of an Old Note.

[2] *See* assumptions. Boot includes FMV of excess principal amount. FMV of $300 excess principal is about $290 ($300 x 96.53%).

Example 2 (A's basis in the Old Note is less than its face amount):

Example 2 Old Note:

- Principal Amount (*pa*): $1,000
- Tax Basis (*tb*): $900

Exchanged for:	*Exchange Terms*		*Gain on the Exchange*			*New Notes Received*	
	Principal Amount (A)	Issue Price[3] (B)	Boot[4] (C) = FMV of ((A) – (*pa*))	Gain Realized (D) = (B) - (*tb*)	Gain Recognized (E) = Lesser of (C) or (D)	Tax Basis (portion not boot) (F) = (*tb*) + (E) - (C)	Tax Basis (boot portion) (G) = FMV of ((A) – (*pa*))
New Note	$1,300	$1,255	$290	$355	$290	$900	$290

[3] *See* assumptions. Represents issue price of the New Notes ($965.30 per $1,000) received in exchange for $1,000 principal amount of an Old Note.

[4] *See* assumptions. Boot includes FMV of excess principal amount. FMV of $300 excess principal is about $290 ($300 x 96.53%).

Example 3 (A's basis in the Old Note is greater than its face amount):

Example 3 Old Note:

- Principal Amount (*pa*): $1,000
- Tax Basis (*tb*): $1,100

	Exchange Terms		*Gain on the Exchange*			*New Notes Received*	
Exchanged for:	Principal Amount (A)	Issue Price[5] (B)	Boot[6] (C) = FMV of ((A) – (*pa*))	Gain Realized (D) = (B) - (*tb*)	Gain Recognized (E) = Lesser of (C) or (D)	Tax Basis (portion not boot) (F) = (*tb*) + (E) - (C)	Tax Basis (boot portion) (G) = FMV of ((A) – (*pa*))
New Note	$1,300	$1,255	$290	$155	$155	$965	$290

[5] *See* assumptions. Represents issue price of the New Notes ($965.30 per $1,000) received in exchange for $1,000 principal amount of an Old Note.

[6] *See* assumptions. Boot includes FMV of excess principal amount. FMV of $300 excess principal is about $290 ($300 x 96.53%).

17. List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.

Section 1001; Section 368(a)(1)(E); Section 354; Section 356; Section 358; Treasury Regulation section 1.1273-2.

18. Can any resulting loss be recognized?

A holder that exchanges Old Notes for New Notes generally will not be permitted to recognize any loss on the Exchange.

19. Provide any other information necessary to implement the adjustment, such as the reportable tax year.

The Exchange was consummated on March 13, 2015. For a holder whose taxable year is the calendar year, the reportable tax year is 2015.

Pursuant to U.S. Treasury Regulation section 1.1273-2(f)(9), Verizon has determined that, within the meaning of U.S. Treasury Regulation section 1.1273-2:

- The New Notes due 2036, New Notes due 2048, and New Notes due 2055 are "traded on an established market."

- The issue price of New Notes due 2036 is $975.55 per $1,000 face amount of such New Notes, or 97.555%.

- The issue price of New Notes due 2048 is $971.44 per $1,000 face amount of such New Notes, or 97.144%.

- The issue price of New Notes due 2055 is $962.06 per $1,000 face amount of such New Notes, or 96.206%.

More information relating to these determinations is available on Verizon's Investor Relations web page: http://www.verizon.com/about/investors/tax-information.