

TELEPHONE & DATA SYSTEMS INC /DE/
 Form 4
 January 31, 2008

FORM 4

**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).

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

(Print or Type Responses)

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)
30 N. LASALLE ST., STE. 4000
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
01/30/2008

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

CHICAGO, IL 60602

(City) (State) (Zip)

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

6. Individual or Joint/Group Filing(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 Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)		
			Code	V	Amount	(A) or (D)	Price		
Common Shares	01/30/2008		M ⁽¹⁾		2,100	A	②	6,794.5134	D
Special Common Shares	01/30/2008		M ⁽¹⁾		2,100	A	②	23,761.1066	D
Common Shares	01/30/2008		S		200	D	\$ 53.9901	6,594.5134	D
Common Shares	01/30/2008		S		200	D	\$ 54.0401	6,394.5134	D
Common Shares	01/30/2008		S		200	D	\$ 54.34	6,194.5134	D

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Common Shares	01/30/2008	S	200	D	\$ 54.5201	5,994.5134	D
Common Shares	01/30/2008	S	200	D	\$ 54.7101	5,794.5134	D
Common Shares	01/30/2008	S	100	D	\$ 54.72	5,694.5134	D
Common Shares	01/30/2008	S	100	D	\$ 54.73	5,594.5134	D
Common Shares	01/30/2008	S	200	D	\$ 54.74	5,394.5134	D
Common Shares	01/30/2008	S	200	D	\$ 54.8801	5,194.5134	D
Common Shares	01/30/2008	S	210	D	\$ 54.9	4,984.5134	D
Common Shares	01/30/2008	S	290	D	\$ 54.9901	4,694.5134	D
Special Common Shares	01/30/2008	S	190	D	\$ 48.9	23,571.1066	D
Special Common Shares	01/30/2008	S	100	D	\$ 48.9001	23,471.1066	D
Special Common Shares	01/30/2008	S	200	D	\$ 48.9501	23,271.1066	D
Special Common Shares	01/30/2008	S	200	D	\$ 49.1101	23,071.1066	D
Special Common Shares	01/30/2008	S	200	D	\$ 49.2401	22,871.1066	D
Special Common Shares	01/30/2008	S	187	D	\$ 49.5	22,684.1066	D
Special Common Shares	01/30/2008	S	13	D	\$ 49.5001	22,671.1066	D
Special Common Shares	01/30/2008	S	200	D	\$ 49.51	22,471.1066	D
Special Common Shares	01/30/2008	S	200	D	\$ 49.52	22,271.1066	D

Special Common Shares	01/30/2008	S	200	D	\$ 49.5601	22,071.1066	D
Special Common Shares	01/30/2008	S	200	D	\$ 49.6001	21,871.1066	D
Special Common Shares	01/30/2008	S	210	D	\$ 49.85	21,661.1066	D

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

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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 Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Option (Right to buy)	\$ 39.75	01/30/2008		M	2,100	12/15/1998 06/22/2008	Tandem Common and Special Common Shares	2,100

Reporting Owners

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

Signatures

Julie D. Mathews, by power
of atty

01/31/2008

__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) Exercise of stock options and subsequent sale of shares pursuant to a previously disclosed 10b5-1 Rule plan.

As a result of the special common dividend on 5/13/05, all options to purchase common shares were adjusted into tandem options. The tandem option provides that upon exercise, the optionee purchases the number of common shares originally subject to the option plus an equal number of of special common shares.

(3) Granted under the Long Term Incentive Plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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