Verizon Communications Inc.
EIN: 23-2259884
Date of Action: August 9 (Early Settlement Date) and
21, 2024 (Final Settlement Date)

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 ten 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:

Old Notes:	New Notes:
92343VEN0/ 92343VEB6/ U9221AAY4	144A CUSIP: 92343V GX6 / Reg S CUSIP: U9221A CH9
92343VEP5	
92343VFS8	
92343VGG3	
92343VGE8	
92343VDD3	
92343VDY7	
92343VFF6	
92343VER1/ 92343VEQ3/ U9221ABK3	
92343VGH1	

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 August 9 (the "Early Settlement Date") and August 21 (the "Final Settlement Date"), 2024, holders of the ten series of existing notes of Verizon listed below (collectively, the "Old Notes") exchanged their Old Notes for newly issued 4.780% notes due 2035 of Verizon (the "New Notes") (the "Exchange").

Old Notes

1. 3.376% notes due 2025
2. Floating rate notes due 2025
3. 0.850% notes due 2025
4. 1.450% notes due 2026
5. Floating rate notes due 2026
6. 2.625% notes due 2026
7. 4.125% notes due 2027
8. 3.000% notes due 2027
9. 4.329% notes due 2028
10. 2.100% notes due 2028

For more information, see the press releases for the final results of the Exchange, available on the Verizon website:

https://www.verizon.com/about/news/verizon-announces-accepted-amounts-pricing-terms-exchange-offers

https://www.verizon.com/about/news/verizon-announces-expiration-final-results-private-exchange-offers-10-series-notes

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.

<u>Exchange of the 1.450% notes due 2026 and the floating rate notes due 2026</u>

Although the matter is not free from doubt, Verizon took the position that the 1.450% notes due 2026 and the floating rate notes due 2026 are not treated as securities and therefore the exchange of the 1.450% notes due 2026 and the floating rate notes due 2026 for New Notes was a taxable transaction for U.S. federal income tax purposes. Accordingly, a holder would have recognized capital gain or loss (other than with respect to accrued market discount, which would be treated as ordinary gain) in an amount equal to the difference between the issue price of the New Notes and the holder's adjusted tax basis in the 1.450% notes due 2026 or the floating rate notes due 2026, as applicable, tendered. A holder's initial tax basis in New Notes received in exchange for the 1.450% notes due 2026 and the floating rate notes due 2026 is the issue price of the New Notes.

<u>Exchange of the other Old Notes</u>

While not free from doubt, Verizon intends to treat all of the other series of Old Notes and the New Notes exchanged therefor as securities, and to treat the exchange of such series of 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) the cash amount received (not including any Accrued Coupon Payment or Rounding 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 for a given series of Old Notes over the principal amount of such series 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 of a given series, plus any cash received (not including any Accrued Coupon Payment or Rounding Payment) with respect to such series of Old Notes over (ii) the holder's adjusted tax basis in such series of Old Notes that are 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 and by any basis allocated to any fractional portion of New Notes for which a Rounding Payment is received. 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.

As described in line 15 above, a holder's initial tax basis in New Notes received in a taxable exchange will equal the issue price of the New Notes on the date of the exchange. See line 19 regarding the issue price of the New Notes.

For New Notes received in an exchange treated as a recapitalization, 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 in an exchange treated as a recapitalization 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 response to 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.

Facts and Assumptions:

- Investor A exchanged $1,000 principal amount of a given series of Old Notes for total consideration of $1,008.30, consisting of New Notes with a principal amount of $1,008.30 (which is inclusive of the applicable Early Participation Payment).

- The New Notes were issued at a fair market value ("FMV") and issue price of $982.52 per face amount of $1,000, or 98.252%. Thus, the issue price of New Notes received in exchange for $1,000 principal amount of an Old Note is $990.67 (i.e., $1,008.30 x 98.252%).

- The tax basis of the Old Notes exchanged in Example 1, Example 2 and Example 3 is $1,000, $900 and $1,100, respectively.

- The excess principal amount of New Notes received is generally equal to the principal amount of the New Notes received minus the principal amount of the Old Notes exchanged therefor. In these examples, the excess principal amount for $1,008.30 principal amount of New Notes received is $8.30 (i.e., $1,008.30 – $1,000 = $8.30). Boot will include the FMV of the excess principal amount. In these examples, the FMV of the excess principal amount of $8.30 is $8.15 (i.e., $8.30 x 98.252%).

Example 1 (A's tax basis in the Old Notes is equal to their face amount):

Example 1

Old Notes:

- Principal Amount (*pa*): $1,000
- Tax Basis (*tb*): $1,000[3]

	Exchange Terms		*Gain/Loss on the Exchange*			*New Notes Received*	
Exchanged for:	Principal Amount (A)	Issue Price[1] (B)	Boot[2] (C) = FMV of ((A) – (*pa*))	Loss Realized (D) = (B) – (*tb*)	Loss Recognized[4] (E) = $0.00	Tax Basis (portion not boot) (F) = (*tb*) + (E) – (C)	Tax Basis (boot portion) (G) = FMV of ((A) – (*pa*))
New Notes of $1,008.30	$1,008.30	$990.67	$8.15	($9.33)	$0.00	$991.85	$8.15

[1] *See* assumptions. Represents the issue price of the New Notes (98.252%) received in exchange for $1,000 principal amount of Old Notes.

[2] *See* assumptions. Boot includes the FMV of the excess principal amount (*i.e.,* the FMV of (A) – (*pa*)); for this example, the FMV of the excess principal amount for $1,008.30 principal amount of New Notes received is $8.15 (($1,008.30 – $1,000) x 98.252%).

[3] *See* assumptions. Assumes the tax basis of Old Notes exchanged is $1,000.

[4] Because A's Tax Basis is greater than the issue price in this example, A realizes a loss of $9.33. However, because the exchange is treated as a recapitalization, A is not able to recognize the loss.

Example 2 (A's tax basis in the Old Notes is less than their face amount):

Example 2

Old Notes:

- Principal Amount (*pa*): $1,000
- Tax Basis (*tb*): $900[3]

	Exchange Terms		*Gain/Loss on the Exchange*			*New Notes Received*	
Exchanged for:	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 Notes of $1,008.30	$1,008.30	$990.67	$8.15	$90.67	$8.15	$900.00	$8.15

[1] *See* assumptions. Represents the issue price of the New Notes (98.252%) received in exchange for $1,000 principal amount of Old Notes.

[2] *See* assumptions. Boot includes the FMV of the excess principal amount (*i.e.,* the FMV of (A) – (*pa*)); for this example, the FMV of the excess principal amount for $1,008.30 principal amount of New Notes received is $8.15 (($1,008.30 – $1,000) x 98.252%).

[3] *See* assumptions. Assumes the tax basis of Old Notes exchanged is $900.

Example 3 (A's tax basis in the Old Notes is greater than their face amount):

Example 3

Old Notes:

- Principal Amount (*pa*): $1,000
- Tax Basis (*tb*): $1,100[3]

	Exchange Terms		Gain/Loss on the Exchange			New Notes Received	
Exchanged for:	Principal Amount (A)	Issue Price[1] (B)	Boot[2] (C) = FMV of ((A) – (*pa*))	Loss Realized (D) = (B) – (*tb*)	Loss Recognized[4] (E) = $0.00	Tax Basis (portion not boot) (F) = (*tb*) + (E) – (C)	Tax Basis (boot portion) (G) = FMV of ((A) – (*pa*))
New Notes of $1,008.30	$1,008.30	$990.67	$8.15	($109.33)	$0.00	$1,091.85	$8.15

[1] *See* assumptions. Represents the issue price of the New Notes (98.252%) received in exchange for $1,000 principal amount of Old Notes.

[2] *See* assumptions. Boot includes the FMV of the excess principal amount (*i.e.,* the FMV of (A) – (*pa*)); for this example, the FMV of the excess principal amount for $1,008.30 principal amount of New Notes received is $8.15 (($1,008.30 – $1,000) x 98.252%).

[3] *See* assumptions. Assumes the tax basis of Old Notes exchanged is $1,100.

[4] Because A's Tax Basis is greater than the issue price in this example, A realizes a loss of $109.33. However, because the exchange is treated as a recapitalization, A is not able to recognize the loss.

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 exchanged the 1.450% notes due 2026 or the floating rate notes due 2026 for New Notes could recognize a loss depending on its particular facts and circumstances. Such holders should consult their own tax advisers regarding the particular tax consequences of the Exchange to them.

A holder that exchanges Old Notes for New Notes in an exchange treated as a recapitalization 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 August 9 and 21, 2024. For a holder whose taxable year is the calendar year, the reportable tax year is 2024.

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 are "traded on an established market."
- The issue price of the New Notes due 2035 is $982.52 per $1,000 face amount of such New Notes, or 98.252%.

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