

TELEPHONE & DATA SYSTEMS INC /DE/  
 Form 5  
 January 17, 2012

**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 WALTER CD

(Last) (First) (Middle)

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)  
 12/31/2011

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)

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)
Common Shares	Â	Â	Â	Â	Â	D	Â
Special Common Shares	Â	Â	Â	Â	Â	D	Â
Special Common Shares	09/08/2011	Â	J	63,286 D	\$ <sup>(4)</sup> <u>1,907,276.33</u> <sub>(2)</sub>	I	By Voting Trust
	09/08/2011	Â	J	63,286 A	\$ <sup>(4)</sup> <u>        </u>	I	

Special Common Shares							1,907,276.33 (2)		By Voting Trust
Special Common Shares	01/04/2011	Â	J	35,599	D	\$ (5)	1,907,276.33 (2)	I	By Voting Trust
Special Common Shares	01/04/2011	Â	J	35,599	A	\$ (5)	1,907,276.33 (2)	I	By Voting Trust

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

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(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 Amount of Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares
					(A)	(D)	Date Exercisable	Expiration Date		
Series A Common shares	Â	Â	Â	Â	Â	Â	Â (1)	Â (1)	Common or Special Common Shares	934.68
Series A Common Shares	Â	12/20/2011	Â	G	Â	3,102	Â (1)	Â (1)	Common or Special Common Shares	1,968,388

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CARLSON WALTER CD 30 N. LASALLE ST., STE. 4000 CHICAGO, IL 60602	Â X	Â	Â	Â

## Signatures

Julie D. Mathews, by power of atty  
01/17/2012

\_\_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.
- (2) Reporting person is one of four trustees which is record owner of these shares and while files its holdings on forms 4. Of these shares, 114,606.68 (13,351.68 including shares acquired pursuant to a dividend reinvestment plan) are held as custodian for child, 7770 are held by wife and 685,962.47 (including 15,965.47 acquired pursuant to a dividend reinvestment plan) are held by family partnership of which reporting person is a general partner. Reporting person disclaims beneficial ownership of the shares owned by wife and the shares held as custodian for children. The remaining shares include 282,420 owned by two GRAT's, 77,761.84 shares acquired pursuant to a dividend reinvestment plan and 738,755.33 in the individual reporting person's name.
- (3) Reporting person is one of four trustees which is record owner of these shares and while files its holdings on forms 4. Of these shares, 113859.94 (including 12604.95 shares acquired pursuant to a dividend reinvestment plan) are held as custodian for children, 5030.72 held by children, 7770 are held by wife and 687,337.39 (including 17340.39 acquired pursuant to a dividend reinvestment plan) are held by family partnership of which reporting person is a general partner. Reporting person disclaims beneficial ownership of the shares owned by wife, children and the shares held as custodian for children. The remaining shares include 524,296.5 owned by two GRAT's (including 24,296.5 shares acquired pursuant to a dividend reinvestment plan) and 630,093.82 (108,918.48 shares acquired pursuant to a dividend reinvestment plan) in the individuals reporting person's name.
- (4) On Sept. 8, 2011, the reporting person transferred voting trust certificates representing 63,286 special common shares from reporting person's GRAT to reporting person individually. The reporting person previously reported all securities held in his name and through a GRAT. Accordingly, the transfer of voting trust certificates did not result in any change in the number of securities reported as beneficially owned by the reporting person.
- (5) On Jan. 4, 2011, the reporting person transferred voting trust certificates representing 35,599 special common shares from reporting person's GRAT to reporting person individually. The reporting person previously reported all securities held in his name and through a GRAT. Accordingly, the transfer of voting trust certificates did not result in any change in the number of securities reported as beneficially owned by the reporting person.

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.