FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL

OMB Number: Estimated average burden hours per response: 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* KATZ STEPHEN						2. Issuer Name and Ticker or Trading Symbol CELLULAR TECHNICAL SERVICES CO INC [CTSC.BB]								S. Relationship of Reporting Person(s) to Issuer (Check all applicable) X Director 10% Owner					
(Last) (First) (Middle) 20 EAST SUNRISE HIGHWAY SUITE 200							f Earli			(Mont	h/Day/Year)		X Officer (give title Other (specify below) Chief Executive Officer						
(Street) VALLEY STREAM NY 11581					4.	4. If Amendment, Date of Original Filed (Month/Day/Year)								Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person Form filed by More than One Reporting Person					
(City)	ty) (State) (Zip)																		
1. Title of Security (Instr. 3) 2. To Date					ction	on 2A. D			3. Transaction Code (Instr.		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 a 5)		(A) or	5. Amount of		6. Ownership Form: Direct (D) or Indirect		7. Nature of Indirect Beneficial	
			(- .	(Month/Day/Year)		ay/Year)	8) Code V		Amount	(A) or (D)	Price	Owned Following Reported Transaction(s) (Instr. 3 and 4)		(l) (Instr. 4)		Ownership (Instr. 4)		
Common	Stock			08/24/	7			A		71,000	A	(1)	251,83	0	D				
Common Stock					2007				A		2,000	A	(2)	253,83	0	D			
Common Stock														6,500		I	for	custodian Liza ice Katz ⁽³⁾	
Common Stock														6,500		I		As custodian for Brian Matthew Katz ⁽³⁾	
Common	Stock													41,273		I E		tnership ⁽⁴⁾	
		•	Table II								posed of, convertil								
1. Title of Derivative Security (Instr. 3)	1. Title of 2. Derivative Conversion Date Execution Security or Exercise (Month/Day/Year) if any			4. Transa	ansaction of Deri Sec Acq (A) Disp		umber vative urities uired	nber 6. Date Exer Expiration D (Month/Day/		cisable and ate 7. Title and Am of Securities		nd Amoun ties ng e Security	8. Price of Derivative Security (Instr. 5) 8. Price of derive Security Security Folic Repr		ties cially d ring ted action(s)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	Beneficial Ownership (Instr. 4)		
					Code		(A)	(D)	Date Exerci	sable	Expiration Date	Title	Amoun or Number of Shares						
Options to Purchase Common Stock	\$2.745	08/24/2007			A					09/10/2001 09/10/2011		Common Stock	3,750	(2)		0	D		
Options to Purchase Common Stock	\$2.745	08/24/2007			A			11,250	09/10/	2001	09/10/2011	Common Stock	11,250	(2)		0	D		
Options to Purchase Common Stock	\$3.2813	08/24/2007			A			3,400	06/14/	1999	06/14/2009	Common Stock	3,400	(2)		0	D		
Options to Purchase Common Stock	\$8	08/24/2007			A			41,794	06/21/	2000	06/21/2010	Common Stock	41,794	4 (2)		0	D		
Options to Purchase Common Stock	\$8	08/24/2007			A			23,206	06/21/	2000	06/21/2010	Common Stock	23,200	6 (2)		0	D		
Options to Purchase Common Stock	\$11.344	08/24/2007			A			5,000	03/22/	2000	03/22/2010	Common Stock	5,000	(2)		0	D		

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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	v	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Options to Purchase Common Stock	\$0.73							06/10/2005	06/10/2014	Common Stock	15,000		15,000	D	
Options to Purchase Common Stock	\$0.99							(5)	09/23/2012	Common Stock	10,000		10,000	D	

Explanation of Responses:

- 1. Issuer issued 71,000 shares of Common Stock as set forth in this Form, Table I, Column 4 to the Reporting Person as consideration for the services the Reporting Person has provided to the Issuer as a director on the Issuer's board of directors and for other services performed on behalf of the Issuer. Such shares of Common Stock were issued by the board of directors of the Company pursuant to Rules 16b-3(e) and 16b-3(d)(1) of the Securities Exchange Act of 1934, as amended.
- 2. The Reporting Person has agreed to the cancellation of 88,400 stock options held by him in exchange for the issuance of 2,000 shares of Common Stock. Such shares of Common Stock were issued by the board of directors of the Company pursuant to Rules 16b-3(e) and 16b-3(d)(1) of the Securities Exchange Act of 1934, as amended.
- 3. The Reporting Person disclaims beneficial ownership of the securities held by such person and this report shall not be deemed an admission that the Reporting Person is the beneficial owner of the securities for purposes of Section 16 or for any other purpose.
- 4. The shares of Common Stock are held in a partnership controlled by the Reporting Person.
- $5.\ Exercisable\ in\ four\ equal\ annual\ installments\ beginning\ September\ 23,\ 2003.$

<u>/s/ Stephen Katz</u> <u>08/28/2007</u>

** Signature of Reporting Person Date

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

- * 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).

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.