

BRASIL TELECOM SA
Form 6-K
July 26, 2006

**SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 6-K

**REPORT OF FOREIGN ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF THE
SECURITIES EXCHANGE ACT OF 1934**

THROUGH JULY 25 , 2006

(Commission File No. 1-15256)

BRASIL TELECOM S.A.

(Exact name of Registrant as specified in its Charter)

BRAZIL TELECOM COMPANY

(Translation of Registrant's name into English)

**SIA Sul, Área de Serviços Públicos, Lote D, Bloco B
Brasília, D.F., 71.215-000
Federative Republic of Brazil**

(Address of Registrant's principal executive offices)

Indicate by check mark whether the registrant files or will file
annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K
in paper as permitted by Regulation S-T Rule 101(b)(1).

Indicate by check mark if the registrant is submitting the Form 6-K
in paper as permitted by Regulation S-T Rule 101(b)(7).

Indicate by check mark whether the registrant by furnishing the
information contained in this Form is also thereby furnishing the
information to the Commission pursuant to Rule 12g3-2(b) under
the Securities Exchange Act of 1934.

Yes No

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If "Yes" is marked, indicated below the file number assigned to the registrant in connection with Rule 12g3-2(b):

Investor Relations

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Media Relations

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Free Translation

BRASIL TELECOM S.A.

Publicly Traded Company

Corporate Taxpayer Registration CNPJ/MF N° 76.535.764/0001 -43

Board of Trade NIRE 53 3 0000622 9

Brasil Telecom S.A. Clarifies CVM's inquiry

In compliance with notice CVM/SEP/GEA-4/N° 350/2006, issued by CVM – Brazilian Securities and Exchange Commission (*Comissão de Valores Mobiliários*) on July 25, 2006, regarding to the news disclosed on the same date in Jornal O Globo's website, entitled "Telecom Italia hires JP Morgan to sell its share in Brasil Telecom", as transcribed below:

MILAN – Telecom Italia hired JP Morgan to sell its stake in the telecommunication operator Brasil Telecom, stated Marco Tronchetti Provera, the group chairman, on Tuesday.

Telecom Italia's officer announced the action in a conference call with analysts. Telecom Italia also controls a mobile operator in Brazil, TIM.

Brasil Telecom S.A. (Company) clarifies that the Company does not take part in eventual negotiations between the shareholders of its controlling block. The Company informs that it has requested clarifications to Telecom Italia, a shareholder in Brasil Telecom Participações – controlling block, regarding the statements made in the abovementioned notice. As soon as such clarifications are received, the Company will complete this notice.

* * *

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: July 25, 2006

BRASIL TELECOM S.A.

By: /s/ Charles Laganá Putz

Name: Charles Laganá Putz
Title: Chief Financial
Officer
