

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF ALBION TELEPHONE COMPANY d/b/a ATC COMMUNICATION'S APPLICATION FOR THE 2023 BROADBAND EQUIPMENT TAX CREDIT)))))	CASE NO. ALB-T-24-01 ORDER NO. 36162
--	-----------------------	---

On January 25, 2024, Albion Telephone Company d/b/a ATC Communications (“Company”) applied for an order confirming that equipment it installed in 2023 is “qualified broadband equipment” under *Idaho Code* § 63-3029I (Income tax credit for investment in broadband equipment) (“Application”). With this Order, we confirm that the installed equipment is “qualified broadband equipment” under *Idaho Code* § 63-3029I.

THE APPLICATION

The Company asserted it made certain investments that constituted qualified broadband equipment. *See Idaho Code* § 63-3029I(3)(b). Specifically, the Company stated that its net investment in qualifying broadband equipment in 2023 was \$3,064,718.54. Broadband Equipment List at 10. The Company indicated that its transmission rates from 25 Mbps to 1 Gbps meet the required rates of 200,000 bits per second (“bps”) to a subscriber and 125,000 bps from a subscriber. The Company further indicated that 99% of its Idaho subscribers have access to the broadband network. Finally, the Company certified the equipment listed in its Application was “necessary to the provisioning of broadband service and are an integral part of our broadband network.” Application at 1.

THE BROADBAND EQUIPMENT TAX CREDIT

Idaho Code § 63-3029I allows a taxpayer to receive an income tax credit for having installed qualified broadband equipment during a calendar year. Before the taxpayer is eligible for the tax credit, the taxpayer must first apply to the Commission for an order confirming the installed equipment is “qualified broadband equipment” as defined in the statute. *Idaho Code* § 63-3029I(4). The statute defines “qualified broadband equipment” as equipment that: (1) qualifies for the *Idaho Code* § 63-3029B capital investment credit and “is capable of transmitting signals at a rate of at least [200,000 bps] to a subscriber and at least [125,000 bps] from a subscriber” (*Idaho Code* § 63-3029I(3)(b)); and (2) is primarily used to provide services in Idaho to public subscribers. *See Idaho Code* § 63-3029I(3)(b)(vii). In “the case of a telecommunications carrier, such qualifying

equipment shall be necessary to the provision of broadband service and an integral part of a broadband network.” *Idaho Code* § 63-3029I(3)(b)(i).

In furtherance of its statutory responsibility, the Commission issued Order No. 28784.¹ That Order specifies the information the taxpayer must include in the broadband tax credit application. In 2021, in Case No. GNR-T-21-10, the Commission modified the informational requirements set forth by Order No. 28784. *See* Order No. 35297.

When the taxpayer files the application, Commission Staff (“Staff”) reviews it to determine whether the listed equipment meets the statutory definition of “qualified broadband equipment.” Staff then submits a recommendation to the Commission. If the Commission ultimately approves the application, then the Commission forwards it and the order to the Idaho State Tax Commission.

STAFF REVIEW

Staff reviewed the Company’s Application under *Idaho Code* § 63-3029I. Based on its review, Staff believed that the listed equipment met the statutory criteria and is “qualified broadband equipment” that is eligible for the tax credit. Staff thus recommended the Commission: (1) issue an order confirming that the Company’s equipment is qualified broadband equipment, and (2) forward copies of the Application and order to the Idaho State Tax Commission.

COMMISSION FINDINGS

Having reviewed the Company’s Application and Staff’s recommendations, we find the Company’s equipment identified in Case No. ALB-T-24-01 is “qualified broadband equipment” eligible for the tax credit under *Idaho Code* § 63-3029I. Accordingly, it is appropriate for the Commission to issue an order confirming the Company’s equipment is “qualified broadband equipment.” The Commission makes no findings regarding the costs of the installed broadband equipment or other expenses.

ORDER

IT IS HEREBY ORDERED that the Company’s Application for an order confirming that equipment it installed in 2023 is “qualified broadband equipment” is granted.

IT IS FURTHER ORDERED that a copy of this Order and a copy of the Application be served on the Idaho State Tax Commission.

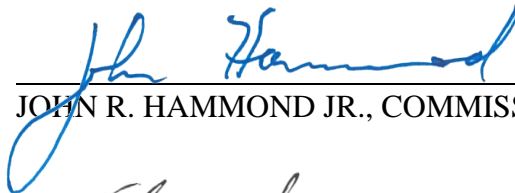
¹ The Commission issued Order No. 28784 pursuant to *Idaho Code* § 63-3029I(4), which empowers the Commission to “issue procedural orders necessary to implement” the statute.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order about any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *Idaho Code* §§ 61-626 and 62-619.

DONE by order of the Idaho Public Utilities Commission at Boise, Idaho this 1st day of May 2024.



ERIC ANDERSON, PRESIDENT



JOHN R. HAMMOND JR., COMMISSIONER



EDWARD LODGE, COMMISSIONER

ATTEST:



Monica Barrios-Sanchez
Commission Secretary

I:\Legal\TELECOM\ALBT2401_Final_md.docx