

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF DIRECT) **CASE NO. DCM-T-22-01**
COMMUNICATIONS ROCKLAND, INC.’S)
APPLICATION FOR BROADBAND TAX) **ORDER NO. 35388**
CREDIT CERTIFICATION.)
_____)

On March 31, 2022, Direct Communications Rockland, Inc. (“Company”) filed an application seeking approval of a broadband tax credit for the equipment it installed during calendar year 2021. However, the Company’s initial Application was not in conformity with the requirements of Commission Order No. 35297. On April 22, 2022, the Company submitted an Amended Application in compliance with Commission Order No. 35297.

In the Amended Application, the Company disclosed that its broadband network has data transmission rates at a minimum rate of 25,000,000 bits per second (“bps”) to a subscriber and 3,000,000 bps from a subscriber. The Company represented that this rate is above the minimum statutory speed requirements pursuant to *Idaho Code* § 63-3029I. The Company asserted that 5,293 Idaho subscribers have access to the broadband network. The Company represented that it invested approximately \$4,821,168 in 2021 for qualifying broadband equipment, and that the equipment was integral to the broadband network.

THE BROADBAND EQUIPMENT TAX CREDIT

In 2001, House Bill 377 was enacted authorizing income tax credit for the installation of qualifying broadband infrastructure in Idaho. *Idaho Code* § 63-3029B(3)(a)(ii). Section 63-3029I allows a taxpayer to receive an investment tax credit for eligible broadband equipment installed during a calendar year. Qualified broadband equipment is defined as “those network facilities capable of transmitting signals at a rate of at least 200,000 bits per seconds (bps) to a subscriber and at least 125,000 bps from a subscriber.” *Idaho Code* § 63-329I(3)(b). If the equipment is installed by a telecommunications carrier, it must also be “necessary to the provision of broadband services and an integral part of a broadband network.” *Idaho Code* § 63-3029I(3)(b)(i). To be eligible for the tax credit the taxpayer must obtain an order from the Commission confirming that the installed equipment meets the statutory definition of qualified broadband equipment. Commission Order No. 35297 and *Idaho Code* § 63-3029I(4). Once the

Commission has determined the installed equipment is eligible for the broadband equipment tax credit, an order along with the original Application is forwarded to the Idaho Tax Commission.

STAFF REVIEW

Staff reviewed the Company's Application under *Idaho Code* § 63-3029I and Order No. 35297. Based on its review, Staff believed the listed equipment met the statutory criteria and was "qualified broadband equipment" that was eligible for the tax credit. Staff 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 recommendation, we find that the Company's equipment identified in Case No. DCM-T-22-01 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 that 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 2021 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.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date upon this Order regarding 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. *See Idaho Code* §§ 61-626 and 62-619.

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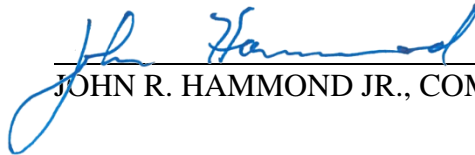
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 2nd day of May 2022.



ERIC ANDERSON, PRESIDENT

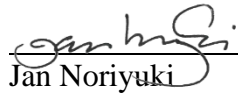


JOHN CHATBURN, COMMISSIONER



JOHN R. HAMMOND JR., COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

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