

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF DIRECT)	CASE NO. DCM-T-23-01
COMMUNICATIONS ROCKLAND, INC.’S)	
APPLICATION FOR THE 2022 BROADBAND)	
EQUIPMENT TAX CREDIT)	ORDER NO. 35858
)	

On March 31, 2023, Direct Communications Rockland, Inc. (“Company”) applied to the Idaho Public Utilities Commission (“Commission”) for an Order confirming that equipment it installed in 2022 is “qualified broadband equipment” under *Idaho Code* § 63-3029I (“Application”). On April 13, 2023, the Company submitted supplemental information to its Application. With this Order, we confirm that the installed equipment is “qualified broadband equipment” under *Idaho Code* § 63-3029I.

THE APPLICATION

The Company stated that it invested \$5,426,871.00 in qualifying broadband equipment in Idaho during 2022. The Company stated it installed equipment associated with Digital Subscriber Line and Ethernet broadband services. The Company stated the network can provide transmission speeds of 25,000,000 bits per second (“bps”) to a subscriber and 3,000,000 bps from a subscriber. The Company believed it qualified for the broadband tax credit under *Idaho Code* § 63-3029I. The Company further stated it serves 8,349 Idaho customers with broadband services.

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 income 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 bps] to a subscriber and at least [125,000 bps] from a subscriber.” *Idaho Code* § 63-3029I(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 income 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; *Idaho Code* § 63-3029I(4). Once the

Commission has determined the installed equipment is eligible for the income tax credit, the Commission will issue an order granting the Company's application and forward the order along with the original application to the Idaho Tax Commission.

COMMISSION STAFF REVIEW

The Commission Staff ("Staff") reviewed the Company's Application under *Idaho Code* § 63-3 029I and believed the Company is a telecommunications carrier, and that the listed equipment meets the statutory criteria and is "qualified broadband equipment" 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, the Commission finds that the Company's equipment identified in Case No. DCM-T-23-01 is qualified broadband equipment eligible for the income tax credit under *Idaho Code* § 63-3029I. 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 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 (or in issues finally decided by this order) may petition for reconsideration within twenty-one (21) days of the service date of 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.

///

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 25th day of July 2023.



ERIC ANDERSON, PRESIDENT

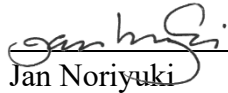


JOHN R. HAMMOND JR., COMMISSIONER



EDWARD LODGE, COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

I:\Legal\TELECOM\DCMT2301_Final_md.docx