

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF INLAND CELLULAR, ) CASE NO. INC-T-21-01**  
**LLC FOR A 2020 BROADBAND )**  
**INVESTMENT TAX CREDIT FOR )**  
**INSTALLING QUALIFYING BROADBAND ) ORDER NO. 35174**  
**EQUIPMENT )**  
**)**

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On August 11, 2021, Inland Cellular, LLC (“Company”) applied to the Idaho Public Utilities Commission (“Commission”) for an order confirming that equipment it installed in 2020 is “qualified broadband equipment” under *Idaho Code* § 63-3029I (income tax credit for investment in broadband equipment). With this order, we confirm that the installed equipment is “qualified broadband equipment” under *Idaho Code* § 63-3029I.

**THE APPLICATION**

In its Application, the Company states that in 2020 its net investment in qualifying broadband equipment was \$1,552,972.72. *See Application* at 3-5. Specifically, the Company stated that it installed equipment associated with technologies to support “[m]obile EVDO and LTE data: fixed wireless, fiber to the premises: fiber backhaul[,] and[] microwave backhaul”. *Id.* at 1. The Company stated that its broadband network has data transmission rates between 1 Mbps to 1 Gbps for subscriber downloads and uploads, which exceeds the required rates of 200,000 bits per second to a subscriber and 125,000 bits per second from a subscriber. *Id.* The Company asserts that 27.3% of Idaho subscribers are customers of its broadband network. *Id.* Finally, the Company confirms through its Application that the qualifying broadband equipment is an integral part of the broadband network. *Id.* at 2.

**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 that 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 that “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 Idaho public subscribers.” *See Idaho Code* § 63-3029I(3)(b)(vii). Further, 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 has issued Order No. 28784.<sup>1</sup> Order No. 28784 specifies the information the taxpayer must include in the broadband tax credit application. When the taxpayer files the application, the Commission 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 believes that the Company is a telecommunications carrier and that the listed equipment meets 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 recommendation, we find that the Company’s equipment identified in Case No. INC-T-21-01 is “qualified broadband equipment” eligible for the tax credit under *Idaho Code* § 63-3029I. The Company is a telecommunications carrier. Further, the listed equipment (as presently configured) is an integral part of the Company’s broadband network and is necessary to the provision of broadband service to Idaho customers. 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.

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<sup>1</sup> 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.


**ORDER**

IT IS HEREBY ORDERED that the Company’s Application for an order confirming that equipment it installed in 2020 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 (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 and 62-619.*

DONE by order of the Idaho Public Utilities Commission at Boise, Idaho this 22<sup>nd</sup> day of September 2021.

  
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PAUL KJELLANDER, PRESIDENT

  
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KRISTINE RAPER, COMMISSIONER

  
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ERIC ANDERSON, COMMISSIONER

ATTEST:

  
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Jan Noriyuki  
Commission Secretary