

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF INLAND CELLULAR)	CASE NO. INC-T-23-01
LLC’S APPLICATION FOR A 2022)	
INVESTMENT TAX CREDIT FOR)	
INSTALLING QUALIFYING BROADBAND)	ORDER NO. 35947
EQUIPMENT)	
)	

On July 18, 2023, Inland Cellular LLC (“Company”) applied for an order confirming that equipment it installed in 2022 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 qualifying broadband investments. *See Idaho Code* § 63-3029I(3)(b). The Company disclosed that the transmission rates it offers to its customers depended on the type of network used by the customer. However, its offerings all exceed statutory requirements of 200,000 bits per second (“bps”) to a subscriber and 125,000 bps from a subscriber under *Idaho Code* § 63-3029I. The Company also represented that it has 23,151 subscribers. The Company stated that its net investment in qualifying broadband equipment in 2022 was \$596,980.56. Finally, the Company certified that it had reviewed the applicable statutes and believed that the equipment listed in its Application qualified for the broadband tax credit under *Idaho Code* § 63-3029I.

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 applies, Commission Staff (“Staff”) reviews the application to determine whether the listed equipment meets the statutory definition of “qualified broadband equipment.” Staff then makes 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 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 recommendations, we find that the Company’s equipment identified in Case No. INC-T-23-01 is “qualified broadband equipment” eligible for the tax credit under *Idaho Code* § 63-3029I. Accordingly, it is appropriate for the Commission to issue this 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 2022 is “qualified broadband equipment” is granted.

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.

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 therein. 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 5th day of October 2023.



ERIC ANDERSON, PRESIDENT

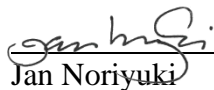


JOHN R. HAMMOND JR., COMMISSIONER



EDWARD LODGE, COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

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