

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF POTLATCH</b>	)	<b>CASE NO. POT-T-24-01</b>
<b>TELEPHONE COMPANY d/b/a TDS</b>	)	
<b>TELECOM’S APPLICATION FOR A 2023</b>	)	
<b>INVESTMENT TAX CREDIT FOR</b>	)	<b>ORDER NO. 36396</b>
<b>INSTALLING QUALIFYING BROADBAND</b>	)	
<b>EQUIPMENT</b>	)	
	)	

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On August 20, 2024, Potlatch Telephone Company d/b/a TDS Telecom (“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”). The Application was filed with supporting documentation. Additional documentation providing details relevant to the Application was filed on September 11, 2024. 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). The Company stated that 100% of its Idaho subscribers had access to the broadband network. The Company noted that all of its various offerings exceed the statutory requirements of 200,000 bits per second (“bps”) to a subscriber and 125,000 bps from a subscriber. The Company stated that its net investment in qualifying broadband equipment in 2023 was \$530,451.32. 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.<sup>1</sup> 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 the Company’s equipment identified in Case No. POT-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.

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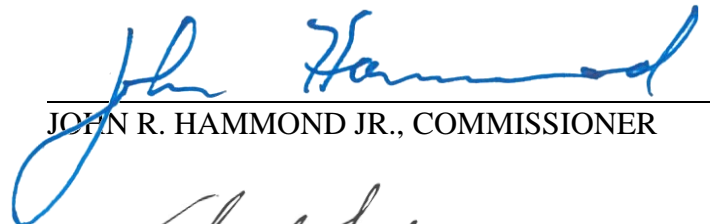
<sup>1</sup> The Commission issued Order No. 28784 pursuant to *Idaho Code* § 63-3029I(4), which empowers the Commission to “issue procedural orders necessary to implement” the statute.

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 21<sup>st</sup> day of November 2024.

  
ERIC ANDERSON, PRESIDENT

  
JOHN R. HAMMOND JR., COMMISSIONER

  
EDWARD LODGE, COMMISSIONER

ATTEST:

  
Monica Barrios-Sanchez  
Commission Secretary

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