

## DECISION MEMORANDUM

**TO:** COMMISSIONER ANDERSON  
COMMISSIONER HAMMOND  
COMMISSIONER LODGE  
COMMISSION SECRETARY  
LEGAL  
WORKING FILE

**FROM:** JOHAN E. KALALA-KASANDA  
MICHAEL DUVAL

**DATE:** MARCH 19, 2024

**RE:** IN THE MATTER OF SYRINGA NETWORKS, LLC APPLICATION FOR  
THE 2023 BROADBAND EQUIPMENT TAX CREDIT;  
CASE NO. SZ9-T-24-01.

### BACKGROUND

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). In particular, 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 equipment “capable of transmitting signals at a rate of at least two hundred thousand (200,000) bits per second (bps) to a subscriber and at least one hundred twenty-five thousand (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 from the Commission an order 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.

## THE APPLICATION

On January 26, 2024, the Commission received an Application from Syringa Networks, LLC. (“Syringa” or “Company”), seeking approval of the equipment for the broadband tax credit installed and put into operation during the calendar year 2023.

In the Application, Syringa lists the investments associated with its fiber optic facilities and equipment connected with the broadband network. The Company represents that “the list of installed equipment is necessary to the provision of broadband service and is an integral part of the broadband networks.”

Furthermore, the Company discloses that its broadband network transmits data at a minimum rate of 1.5 MB per second or 12,000,000 bits per second for both upload and download. This is the transmission speed available to its customers. This rate meets the statutory requirements pursuant to *Idaho Code* § 63-3029I.

Syringa asserted that it invested \$2,994,488.82 in 2023 in qualifying broadband equipment that it confirms is integral to the broadband network. This amounts to the broadband investment tax credit of \$89,834.66, which is 3 percent of the total investment made in 2023.

## STAFF REVIEW AND RECOMMENDATION

Staff reviewed and audited the list of proposed broadband equipment and believes the identified equipment qualifies for the investment tax credit pursuant to Commission Order No. 35297 and *Idaho Code* § 63-3029I(3)(b). Staff, therefore, recommends that the Commission issue an order confirming the equipment is qualified broadband equipment and forward the approving order along with a copy of the Application to the Idaho Tax Commission.

## COMMISSION DECISION

Does the Commission wish to issue an order confirming the equipment identified in Case No. SZ9-T-24-01 is qualified broadband equipment as defined in *Idaho Code* § 63-3029I(3)(b) and forwarded to the Idaho Tax Commission.

  
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Johan E. Kalala-Kasanda