

State of South Dakota

EIGHTY-FIRST SESSION
LEGISLATIVE ASSEMBLY, 2006

771M0416

HOUSE TAXATION COMMITTEE ENGROSSED NO.

HB 1081 - 01/31/2006

Introduced by: Representatives Dykstra, Cutler, Frost, Fryslie, Garnos, Glover, Hackl, Howie, Olson (Ryan), Rausch, Sigdestad, Street, Van Etten, and Weems and Senators Peterson (Jim), Bartling, Duniphan, Hansen (Tom), Hanson (Gary), Hundstad, Koskan, Lintz, McCracken, McNenny, Olson (Ed), and Sutton (Dan)

1 FOR AN ACT ENTITLED, An Act to exempt from the sales and use taxes certain maintenance
2 items used on agricultural machinery and equipment and to declare an emergency.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 10-45-3.4 be amended to read as follows:

5 10-45-3.4. There are exempted from the provisions of this chapter and the tax imposed by
6 it, gross receipts from the sale of ~~parts~~ the following:

7 (1) Parts or repairs on machinery or equipment which are clearly identifiable as used
8 primarily for agricultural purposes, including irrigation equipment, if the part
9 replaces a farm machinery or irrigation equipment part assigned a specific or generic
10 part number by the manufacturer of the farm machinery or irrigation equipment; and

11 (2) Maintenance items and maintenance services used on machinery or equipment which
12 are clearly identifiable as used primarily for agricultural purposes, including
13 irrigation equipment.



1 Section 2. That § 10-46-17.6 be amended to read as follows:

2 10-46-17.6. There are exempted from the provisions of this chapter and the tax imposed by
3 it, the use of ~~parts~~ the following:

- 4 (1) Parts or repairs on machinery or equipment which are clearly identifiable as used
5 primarily for agricultural purposes, including irrigation equipment, if the part
6 replaces a farm machinery or irrigation equipment part assigned a specific or generic
7 part number by the manufacturer of the farm machinery or irrigation equipment; and
8 (2) Maintenance items and maintenance services used on machinery or equipment which
9 are clearly identifiable as used primarily for agricultural purposes, including
10 irrigation equipment.

11 Section 3. Whereas, this Act is necessary for the support of the state government and its
12 existing public institutions, an emergency is hereby declared to exist, and this Act shall be in
13 full force and effect from and after its passage and approval.