

2020 South Dakota Legislature

House Bill Draft 256

Requested by: **Representative Chaffee**

1 **An Act to require certain adjustments to the assessed value of agricultural land if**
 2 **factors impact the land's productivity and to require those adjustments to be**
 3 **documented.**

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

5 **Section 1.** That § 10-6-33.31 be AMENDED:

6 **10-6-33.31. Agricultural income value for county--Adjustment of assessed**
 7 **value by director of equalization.**

8 Before July first each year, the secretary of revenue shall ~~annually~~ provide each
 9 director of equalization the agricultural income value for each county as computed
 10 pursuant to § 10-6-33.28. The director of equalization shall annually determine the
 11 assessed value of agricultural land. The assessed value of agricultural land ~~may~~ shall be
 12 adjusted by the director to the extent any of the following factors affecting~~the~~ the
 13 agricultural land's productivity:

- 14 (1) The capacity of the land to produce agricultural products as defined in § 10-6-33.2;
 15 and
 16 (2) The location, size, soil survey statistics, terrain, and topographical condition of the
 17 land including the climate, accessibility, carrying capacity and surface obstructions.

18 ~~Each adjustment shall~~ The adjustment warranted by each factor in subdivisions (1) and
 19 (2) must be documented consistent with the county's established protocol for documenting
 20 an adjustment. The director of equalization may document an adjustment by using data
 21 from sources reasonably related to the adjustment being made. In addition, the director
 22 of equalization may use data from comparable sales of agricultural land to document the
 23 adjustment concerning productivity for any of the factors listed in this section.

24 If the actual use of agricultural land varies from the land use category specified by soil
 25 classification standards, the property owner may request an examination of the land by
 26 the director of equalization. ~~The~~ At the conclusion of the examination, the director of
 27 equalization shall make a documented determination of whether ~~to adjust~~ or not an
 28 adjustment to the assessed value of the agricultural land ~~pursuant to this~~ warranted
 29 based on a consideration of all factors listed in subdivision (2).