

State of South Dakota

EIGHTY-SIXTH SESSION
LEGISLATIVE ASSEMBLY, 2011

291S0683

SENATE BILL NO. 160

Introduced by: Senators Nygaard, Begalka, Haverly, Kraus, and Maher and Representatives Sly, Boomgarden, Fargen, and Kirkeby

1 FOR AN ACT ENTITLED, An Act to repeal exemptions from sales and use taxes for certain
2 security and commodity brokers.

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

4 Section 1. That § 10-45-12.1 be amended to read as follows:

5 10-45-12.1. The following services enumerated in the Standard Industrial Classification
6 Manual, 1987, as prepared by the Statistical Policy Division of the Office of Management and
7 Budget, Office of the President are exempt from the provisions of this chapter: health services
8 (major group 80); educational services (major group 82) except schools and educational services
9 not elsewhere classified (industry no. 8299); social services (major group 83); agricultural
10 services (major group 07) except veterinarian services (group no. 074) and animal specialty
11 services, except veterinary (industry no. 0752); forestry services (group no. 085); radio and
12 television broadcasting (group no. 483); railroad transportation (major group 40); local and
13 suburban passenger transportation (group no. 411) except limousine services; school buses
14 (group no. 415); trucking and courier services, except air (group no. 421) except collection and
15 disposal of solid waste; farm product warehousing and storage (industry no. 4221);



1 establishments primarily engaged in transportation on rivers and canals (group no. 444);
2 establishments primarily engaged in air transportation, certified carriers (group no. 451);
3 establishments primarily engaged in air transportation, noncertified carriers (group no. 452)
4 except chartered flights (industry no. 4522) and airplane, helicopter, balloon, dirigible, and
5 blimp rides for amusement or sightseeing; pipe lines, except natural gas (major group 46);
6 arrangement of passenger transportation (group no. 472); arrangement of transportation of
7 freight and cargo (group no. 473); rental of railroad cars (group no. 474); water supply (industry
8 no. 4941); sewerage systems (industry no. 4952); ~~security brokers, dealers and flotation~~
9 ~~companies (group no. 621); commodity contracts brokers and dealers (group no. 622);~~ credit
10 counseling services provided by individual and family social services (industry no. 8322);
11 construction services (division C) except industry no. 1752 and locksmiths and locksmith shops;
12 consumer credit reporting agencies, mercantile reporting agencies, and adjustment and
13 collection agencies (group no. 732), if the debt was incurred out-of-state and the client does not
14 reside within the state. The following are also specifically exempt from the provisions of this
15 chapter: financial services of institutions subject to tax under chapter 10-43 including loan
16 origination fees, late payment charges, nonsufficient fund check charges, stop payment charges,
17 safe deposit box rent, exchange charges, commission on travelers checks, charges for
18 administration of trusts, interest charges, and points charged on loans; commissions earned or
19 service fees paid by an insurance company to an agent or representative for the sale of a policy;
20 ~~services of brokers and agents licensed under Title 47;~~ the sale of trading stamps; rentals of
21 motor vehicles as defined by § 32-5-1 leased under a single contract for more than twenty-eight
22 days; advertising services; services provided by any corporation to another corporation which
23 is centrally assessed having identical ownership and services provided by any corporation to a
24 wholly owned subsidiary which is centrally assessed; continuing education programs; tutoring;

1 vocational counseling, except rehabilitation counseling; and motion picture rentals to a
2 commercially operated theater primarily engaged in the exhibition of motion pictures.

3 Section 2. That § 10-46-9.2 be repealed.

4 ~~10-46-9.2. The tax imposed by this chapter shall not apply to services of brokers and agents~~

5 ~~licensed under Title 47.~~