

2021 South Dakota Legislature

Senate Bill 39**AMENDMENT 39A FOR THE INTRODUCED BILL**

1 **An Act to repeal the registration requirements for certain amusement devices.**

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

3 **Section 1.** That § 10-58-1 be AMENDED.

4 **10-58-1. Imposition of tax--Rate.**

5 There is imposed upon owners and operators a special amusement excise tax of
6 four and one-half percent of the gross receipts from the operation of any mechanical or
7 electronic amusement device. The tax imposed by this section is in lieu of the tax imposed
8 pursuant to chapter 10-45.

9 **Section 2.** That a NEW SECTION be added:

10 **10-58-1.1. Definition of amusement device.**

11 For the purposes of this chapter, a mechanical or electronic amusement device is
12 any coin ~~or bill~~ operated:

- 13 (1) Pool table;
14 (2) Foosball table;
15 (3) Air hockey table;
16 (4) ~~Video arcade-Arcade~~ game;
17 (5) Shooting gallery game;
18 (6) Dart board;
19 (7) Pinball machine; or
20 (8) Jukebox.

21 **Section 3.** That § 10-58-2 be REPEALED.

1 **10-58-2. Registration of devices.**

2 **Section 4.** That § 10-58-2.1 be REPEALED.

3 **10-58-2.1. Older devices subject to regulation--Exempt from registration**
4 **fee.**

5 **Section 5.** That § 10-58-2.2 be REPEALED.

6 **10-58-2.2. Mechanical or electronic amusement devices used exclusively at**
7 **government sponsored fairs to comply with chapter--Registration fee--Validity**
8 **of special fair registration.**

9 **Section 6.** That § 10-58-3 be AMENDED.

10 **10-58-3. Exemption from local fees and taxes.**

11 Such owner or operator shall pay an annual registration fee of twelve dollars per
12 machine. Payment of the registration fee allows the machine to be offered to the public or
13 any person until June thirtieth. Each person tendering a registration fee shall indicate
14 whether the machine is being operated within an incorporated municipality and which
15 municipality. The registration fee is in lieu of municipal sales or use tax incurred on account
16 of the sale or use of the machine and is also in lieu of all other No political subdivision of
17 this state may require any permits, licenses, permit fees, or license fees imposed by
18 political subdivisions of the state for the operation of any amusement device. No political
19 subdivision of this state may impose any municipal sales or use tax upon the sale or the
20 operation of any amusement device.

21 **Section 7.** That § 10-58-4 be AMENDED.

22 **10-58-4. Collection and administration.**

23 The tax and the registration fees imposed under this chapter shall be collected and
24 administered by the Department of Revenue. The secretary of revenue shall ~~insure~~ ensure
25 that all amusement machines ~~which~~ that are available to the public are taxed ~~and~~
26 registered.

27 **Section 8.** That § 10-58-5 be AMENDED.

1 **10-58-5. Disposition of tax proceeds.**

2 The tax generated by this chapter ~~shall~~ must be deposited in the general fund.
3 ~~The registration fees collected by the Department of Revenue shall be paid within thirty~~
4 ~~days to the municipality in which the machine is located on the date the registration fee~~
5 ~~is tendered. Registration fees for machines not located within a municipality shall be paid~~
6 ~~to the state general fund.~~

7 **Section 9.** That § 10-58-6 be REPEALED.

8 **10-58-6. Display of registration--Effect of failure.**

9 **Section 10.** That § 10-58-7 be REPEALED.

10 **10-58-7. Device without registration displayed as contraband--Confiscation.**

11 **Section 11.** That § 10-58-8 be REPEALED.

12 **10-58-8. Judicial order for destruction or sale of confiscated devices--**
13 **Disposition of sale proceeds.**

14 **Section 12.** That § 10-58-10 be AMENDED.

15 **10-58-10. Classification of violations.**

16 Failure to comply with the licensing, ~~registration or tax payment requirements of~~
17 this chapter ~~shall constitute~~ constitutes a Class 1 misdemeanor for the first offense and a
18 Class 6 felony for any subsequent offense occurring within one year of the prior offense's
19 occurrence.

20 **Section 13.** That § 10-58-11 be AMENDED.

21 **10-58-11. Exemption for video lottery machines--Gross receipts specifically**
22 **exempted.**

23 Video lottery machines licensed pursuant to § 42-7A-41 are exempt from the
24 ~~registration and tax imposed by this chapter.~~ There is specifically exempted from the
25 provisions of this chapter and from the computation of the tax imposed by it, the gross
26 receipts from video lottery machines licensed pursuant to § 42-7A-41 and operated as
27 part of a lottery operated by this state.

28 **Section 14.** That § 10-58-13 be AMENDED.

1 **10-58-13. Promulgation of rules.**

2 The secretary of revenue may promulgate rules pursuant to chapter 1-26
3 concerning:

4 ~~(1) Proper display of decals; and~~

5 ~~(2) Record-keeping~~ record-keeping requirements.