



2022 South Dakota Legislature

House Bill 1001

Introduced by: **Representative Weisgram**

1 **An Act to revise the freeze on assessments for dwellings of disabled and senior**
 2 **citizens.**

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

4 **Section 1. That § 10-6A-1 be AMENDED:**

5 **10-6A-1.** Terms as used in this chapter mean:

- 6 (1) "Base year," for any property owner who reached sixty-five years of age or became
 7 disabled in or prior to 1981, the base year is 1977. For any property owner who
 8 reaches sixty-five years of age or becomes disabled after 1981, the base year is
 9 the year in which the property owner reaches ~~the age of sixty-five~~ years of age
 10 or the year in which the property owner becomes disabled. In the case of a surviving
 11 spouse, the base year is the year that would have been the base year of the
 12 deceased spouse;
- 13 (2) "Base year assessment," the actual assessed value of a single-family dwelling in
 14 the base year or, at the applicant's election, a year subsequent to the base year.
 15 The applicant need not have been the owner of the dwelling during the base year;
- 16 (3) "Department," the South Dakota Department of Revenue;
- 17 (4) "Disabled," any person who receives or is qualified to receive monetary payments,
 18 pursuant to Title II, X, XIV, or XVI of the Social Security Act, as amended to January
 19 1, 2008, for all or part of the year for which a property tax assessment freeze
 20 application is made;
- 21 (5) "Household," the association of persons who live in the same dwelling, sharing its
 22 furnishings, facilities, and accommodations, but not including bona fide lessees,
 23 tenants, or roomers and boarders on contract;
- 24 (6) "Household income," all income received during the preceding calendar year by all
 25 persons of a household while members of the household;

- 1 (7) "Income," the sum of adjusted gross income as defined in the United States Internal
 2 Revenue Code, as defined by § 10-1-47, and IRA disbursements, the amount of
 3 capital gains excluded from adjusted gross income, alimony, support money,
 4 nontaxable strike benefits, cash public assistance and relief, the gross amount of
 5 any pension or annuity, including Railroad Retirement Act benefits and veterans
 6 disability pensions, all payments received under the federal social security and
 7 state reemployment assistance or unemployment insurance laws, nontaxable
 8 interest, life insurance proceeds that exceed twenty thousand dollars, any gift or
 9 inheritance that exceeds five hundred dollars, proceeds from a court action, any
 10 sale of a personal item that exceeds five hundred dollars, foster care income, and
 11 workers' compensation;
- 12 (8) "Property owner," the owner of a dwelling as recorded by the register of deeds in
 13 the county where the dwelling is located. A joint tenant, an owner of a life estate,
 14 a beneficiary of a trust, and a vendee of a contract for deed as filed with the register
 15 of deeds in the county where the dwelling is located is considered to be an owner;
- 16 (9) "Real property tax assessment freeze," for tax purposes, the assessment of a
 17 single-family dwelling as recorded in the base year on the county assessment roll
 18 and held constant at that value;
- 19 (10) "Secretary," the secretary of the South Dakota Department of Revenue;
- 20 (11) "Single-family dwelling," a house, condominium apartment, or manufactured home
 21 as defined in § 32-3-1 that is assessed and taxed as a separate unit including the
 22 platted lot upon which the structure is situated or one acre, whichever is less, and
 23 the garage, whether attached or unattached;
- 24 (12) "Surviving spouse," the spouse of a deceased property owner who has not
 25 remarried.

26 **Section 2. That § 10-6A-2 be AMENDED:**

27 **10-6A-2.** Any person making an application under the provisions of this chapter is
 28 entitled to a real property tax assessment freeze upon the person's single-family dwelling
 29 if the following conditions are met. The person:

- 30 (1) Has a household income of less than ~~twenty~~ thirty-five thousand dollars if the
 31 household is a single-member household or the person has a household income of
 32 less than ~~twenty-five~~ forty-five thousand dollars if the household is a multiple-
 33 member household; and

- 1 (2) Has been a property owner and a resident of South Dakota for at least one year;
2 and
3 (3) Has resided for at least two hundred days of the previous calendar year in the
4 single-family dwelling; and
5 (4) Has established a base year.

6 The surviving spouse of a person who has previously qualified is entitled to the real
7 property tax assessment freeze if the surviving spouse meets the other conditions of this
8 chapter.

9 Beginning on January 1, ~~2005~~ 2023, the household income listed in subdivision (1)
10 of this section shall increase annually by the index factor. The index factor is the annual
11 percentage change in the consumer price index for urban wage earners and clerical
12 workers as computed by the Bureau of Labor Statistics of the United States Department
13 of Labor for the year before the year immediately preceding the year of adjustment or the
14 annual percentage change in federal social security payments for the preceding year,
15 whichever is greater.

16 **Section 3. That § 10-6A-3 be AMENDED:**

17 **10-6A-3.** This chapter does not apply to a single-family dwelling with a full and
18 true market value of ~~one three hundred fifty~~ one three hundred thousand dollars or more unless the applicant
19 has received the freeze on assessments in a preceding year on the single-family dwelling.
20 Beginning on January 1, ~~2008~~ 2023, the eligibility qualification value of the single-family
21 dwelling provided in this section shall be annually increased by an index factor. The index
22 factor is the annual percentage change in the consumer price index for urban wage earners
23 and clerical workers as computed by the Bureau of Labor Statistics of the United States
24 Department of Labor for the year before the year immediately preceding the year of
25 adjustment or the annual percentage change in federal social security payments for the
26 preceding year, whichever is greater.