



2022 South Dakota Legislature

House Bill 1040

Introduced by: **Representative Ernie Otten**

1 **An Act to reduce the maximum property tax levies for the general fund of school**
 2 **districts.**

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

4 **Section 1. That § 10-12-42 be AMENDED:**

5 **10-12-42.** For taxes payable in ~~2022~~2023 and each year thereafter, the levy for
 6 the general fund of a school district ~~shall be~~ is as follows:

7 (1) The maximum tax levy ~~shall be~~ is six dollars and ~~fifty-two~~thirty-seven and ~~five-~~
 8 ~~tenths~~four-tenths cents per thousand dollars of taxable valuation, subject to the
 9 limitations on agricultural property as provided in subdivision (2) of this section
 10 and owner-occupied property as provided in subdivision (3) of this section;

11 (2) The maximum tax levy on agricultural property for the school district ~~shall be~~ is one
 12 dollar and ~~forty~~thirty-seven and ~~nine-tenths~~six-tenths cents per thousand dollars
 13 of taxable valuation. If the district's levies are less than the maximum levies as
 14 stated in this section, the levies shall maintain the same proportion to each other
 15 as represented in the mathematical relationship at the maximum levies; and

16 (3) The maximum tax levy for an owner-occupied single-family dwelling as defined in
 17 § 10-13-40 for the school district ~~shall be~~ is three dollars and ~~fifteen and three-~~
 18 ~~tenths~~eight cents per thousand dollars of taxable valuation. If the district's levies
 19 are less than the maximum levies as stated in this section, the levies shall maintain
 20 the same proportion to each other as represented in the mathematical relationship
 21 at the maximum levies.

22 All levies in this section ~~shall~~ must be imposed on valuations where the median
 23 level of assessment represents eighty-five percent of market value, as determined by the
 24 Department of Revenue. These valuations ~~shall~~ must be used for all school funding
 25 purposes. If the district has imposed an excess levy pursuant to § 10-12-43, the levies
 26 ~~shall~~ must maintain the same proportion to each other as represented in the mathematical

- 1 relationship at the maximum levies in this section. The school district may elect to tax at
- 2 less than the maximum amounts set forth in this section.