

## 2022 South Dakota Legislature

**Senate Bill 71****AMENDMENT 71A FOR THE INTRODUCED BILL**

1 **An Act to revise ~~the tax credit limit for~~ certain provisions related to the partners in**  
2 **education tax credit program.**

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

4 **Section 1. That § 13-65-1 be AMENDED:**

5 **13-65-1.** Terms, as used in this chapter, mean:

- 6 (1) "Division," the Division of Insurance in the Department of Labor and Regulation;
- 7 (2) "Educational scholarship," a grant to an eligible student to cover all or part of the  
8 tuition and fees at a qualifying school. The average value of all scholarships  
9 awarded by a scholarship granting organization may not exceed eighty-two and  
10 five-tenths percent of the state's share of the per student equivalent, as defined in  
11 § 13-13-10.1;
- 12 (3) "Eligible student," any student entering kindergarten through twelfth grade who  
13 resides in South Dakota while receiving the educational scholarship and:
- 14 (a) Is a member of a household whose total annual income, the year before the  
15 student enters the program, did not exceed one hundred fifty percent of the  
16 income standard used to qualify for a free or reduced-price lunch under the  
17 national free or reduced-price lunch program. If sufficient funding is  
18 available, once a student meets the initial income eligibility requirement,  
19 the student remains income eligible for three years or if the student is  
20 entering high school, until the student graduates high school regardless of  
21 household income. After the initial period of income eligibility, a student  
22 remains eligible if the student is a member of a household whose total  
23 annual income in the prior year did not exceed two hundred percent of the  
24 income standard used to qualify for a free or reduced-price lunch;~~and or~~
- 25 (b) ~~Resides in South Dakota while receiving the educational scholarship~~ Is in  
26 foster care;

- 1 (4) "Low-income eligible student," any student who is a member of a household whose  
2 total annual income, the year before the student enters the program, did not  
3 exceed one hundred percent of the income standard used to qualify for a free or  
4 reduced-price lunch under the national free or reduced-price lunch program;
- 5 (5) "Parent," any guardian, custodian, or other person with authority to act in place of  
6 a parent for the child;
- 7 (6) "Program," the partners in education tax credit program established pursuant to  
8 this chapter;
- 9 (7) "Qualifying school," any nonpublic school that operates within the boundaries of  
10 South Dakota or any tribally controlled school on a federally recognized Indian  
11 reservation that operates within the boundaries of South Dakota, is accredited by  
12 the Department of Education, provides education to elementary or secondary  
13 students, and has notified a scholarship granting organization of its intention to  
14 participate in the program and comply with the program requirements. This term  
15 excludes any school that receives a majority of its revenues from public funds;
- 16 (8) "Scholarship granting organization," a nonprofit organization that complies with the  
17 requirements of the program and provides educational scholarships to students.

18 **Section 2. That § 13-65-3 be AMENDED:**

19 **13-65-3.** Notwithstanding the provisions of § 13-65-2, the total amount of tax  
20 credits claimed on annual premium tax returns pursuant to this chapter may not exceed  
21 ~~two~~ three million five hundred thousand dollars in fiscal year ~~2017~~ 2023 and each year  
22 thereafter.