2022 South Dakota Legislature

House Bill 1082

Introduced by: ***Representative*** *Goodwin*

An Act to revise the motor vehicle excise tax on vehicles leased for more than twenty-eight days to include certain off-road vehicles.

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

Section 1. That § 32-5B-1.1 be AMENDED:

32-5B-1.1. For motor vehicles leased for more than twenty-eight days, the lessor shall title and license the motor vehicle and denote the lessee on the application for title. The lessor or the lessee shall pay the motor vehicle excise tax. If the term of the lease is extended or if the vehicle is leased for an additional period of time, the motor vehicle excise tax shall be assessed on the additional lease payments and shall be paid by the lessor. If additional consideration is paid during the course of the lease or upon the termination of the lease, the motor vehicle excise tax shall be assessed upon such amount and paid by the lessor. If a lessee buys the leased vehicle at the end of the lease, excise tax shall be assessed on the purchase prices in § 32-5B-4. The lessor shall assign the title to the lessee and shall deliver it to the county treasurer of the applicant's residence, along with an application certifying the price of the vehicle and the required fees and taxes.

A lessee who entered into a lease prior to July 1, 2000, and who paid excise tax based on the purchase price of the vehicle, including the value of the leased vehicle at the end of the lease, shall receive credit for tax previously paid if the lessee purchases the vehicle at the end of the lease.

<u>An off-road vehicle, as defined by § 32-3-1 and required to be titled pursuant to § 32-20-12 and is titled in this state, that is leased for more that twenty-eight days, is subject to the provisions of this section.</u>