

Committee: House Taxation

Tuesday, February 15, 2022 7:45 AM

Roll Call

Present: Rep. Chaffee, Rep. Derby, Rep. Drury, Rep. Jamison, Rep. Olson,
Rep. Randolph, Rep. Thomason, Rep. Tidemann, Rep. Pischke, and
Rep. Dennert
Present (Remote): Rep. Ernie Otten
Excused: Rep. Koth and Rep. Pourier

OTHERS PRESENT: See Original Minutes

The meeting was called to order by Representative Dennert

MOTION: TO APPROVE THE MINUTES OF THURSDAY, FEBRUARY 10TH

Moved by: Chaffee
Second by: Olson
Action: Prevailed by voice vote

HB 1045 : increase a tax on the gross receipts of all sales of marijuana, and to distribute a portion of that revenue to counties.

Presented by: Jeremiah M. Murphy, Cannabis Industry Association of SD, Sioux Falls
(Handout(s) 1)
Proponents: Roger Tellinghuisen, South Dakota Association of County Commissioners,
Pierre
Representative Hugh Bartels, District 5
Yvonne Taylor, South Dakota Municipal League, Fort Pierre
Opponents: Brian Burge, self, Beresford

MOTION: AMEND HB 1045

1045H

On the previously adopted amendment (1045G), On page 34, line 20, after "representative." delete
"Section 58. That a NEW SECTION be added to title 34:
"

On the previously adopted amendment (1045G), On page 34, line 21, after "34:" delete "Any license granted under this title may be transferred to a new location or to another person. If the transfer is to another person, the licensee shall show in writing, under oath, that the licensee has made a bulk sale of the business operated under the license. The bulk sale may be conditioned upon the granting of a transfer of the license. The transferee shall make an application exactly as an original applicant, and the application shall be acted upon in the same manner as an original application. No transfer of any license to another person may be granted until all taxes incurred by the transferor as a result of the operation of the licensed premises, including municipal and state sales and use taxes, state reemployment assistance or unemployment insurance tax, or any other state tax, are paid or are not delinquent. No transfer of any license to another person may be granted until all property taxes which are the liability of the licensee levied on the licensed premises are paid or are not delinquent. No transfer of any license may be granted from an Indian tribe operating in Indian country controlled by the Indian tribe or from an enrolled tribal member operating in Indian country controlled by the enrolled tribal member's tribe until all use tax incurred as a result of the operation of the licensed premises by nonmembers, and any other state tax, has been remitted or

is not delinquent. If the transfer is to a new location, the licensee shall make application showing all the relevant facts for the new location. The application shall be acted upon in the same manner as an original application. If a license is transferred, a fee of one hundred fifty dollars is required to continue the unexpired portion of the license."

On the previously adopted amendment (1045G), On page 36, line 5, after "section" delete " 62"

On the previously adopted amendment (1045G), On page 36, line 5, after "62 " insert "61 "

On the previously adopted amendment (1045G), On page 36, line 8, after "section" delete " 62"

On the previously adopted amendment (1045G), On page 36, line 8, after "62 " insert "61 "

On the previously adopted amendment (1045G), On page 36, line 17, after "section" delete " 64"

On the previously adopted amendment (1045G), On page 36, line 17, after "64 " insert "63 "

On the previously adopted amendment (1045G), On page 36, line 20, delete " 62" and insert " 61"

On the previously adopted amendment (1045G), On page 36, line 20, after "and" delete " 64"

On the previously adopted amendment (1045G), On page 36, line 20, after "64 " insert "63 "

Moved by: Jamison

Second by: Olson

Action: Prevailed by roll call vote (10-0-3-0)

Voting Yes: Derby, Drury, Jamison, Olson, Ernie Otten, Randolph, Thomason, Tidemann, Pischke, and Dennert

Excused: Chaffee, Koth, and Pourier

MOTION: AMEND HB 1045

1045I

On the previously adopted amendment (1045G), On page 9, line 5, after "place" insert " or place of employment"

Moved by: Jamison

Second by: Drury

Action: Prevailed by roll call vote (10-0-3-0)

Voting Yes: Derby, Drury, Jamison, Olson, Ernie Otten, Randolph, Thomason, Tidemann, Pischke, and Dennert

Excused: Chaffee, Koth, and Pourier

MOTION: DO PASS HB 1045 AS AMENDED

Moved by: Jamison

Second by: Olson

Action: Prevailed by roll call vote (7-3-3-0)

Voting Yes: Derby, Drury, Jamison, Olson, Ernie Otten, Pischke, and Dennert

Voting No: Randolph, Thomason, and Tidemann

Excused: Chaffee, Koth, and Pourier

HB 1222 : provide property tax relief for family day care homes.

Presented by: Representative Ryan Cwach, District 18

Proponents: Brian Burge, self, Beresford

Opponents: Wendy Semmler, Department of Revenue

Doug Abraham, South Dakota Retailers Association, Pierre
Janet Sayler, Pennington Co Treasurer, Rapid City
Deb Tridle, Lawrence County Treasurer, Deadwood

MOTION: DO PASS HB 1222

Moved by: Drury
Second by: Jamison
Action: Prevailed by roll call vote (8-2-3-0)

Voting Yes: Derby, Drury, Jamison, Olson, Randolph, Thomason, Tidemann, and Pischke

Voting No: Ernie Otten and Dennert

Excused: Chaffee, Koth, and Pourier

HB 1305 : revise provisions regarding the procurement of tax deeds.

Presented by: Representative Roger Chase, District 22
Proponents: Doug Abraham, South Dakota Retailers Association, Pierre
Yvonne Taylor, South Dakota Municipal League, Fort Pierre
Opponents: Janet Sayler, Pennington Co Treasurer, Rapid City

MOTION: DO PASS HB 1305

Moved by: Tidemann
Second by: Thomason
Action: Was not acted on.

MOTION: SUBSTITUTE MOTION: DEFER HB 1305 TO THE 41ST LEGISLATIVE DAY

Moved by: Olson
Second by: Pischke
Action: Prevailed by roll call vote (7-3-3-0)

Voting Yes: Derby, Drury, Olson, Ernie Otten, Randolph, Pischke, and Dennert

Voting No: Jamison, Thomason, and Tidemann

Excused: Chaffee, Koth, and Pourier

HB 1330 : limit the increase of assessed value of property for the purpose of taxation, and to limit the property tax due on property.

Presented by: Representative Taffy Howard, District 33
Opponents: Michael Houdyshell, Department of Revenue
Doug Abraham, South Dakota Retailers Association, Pierre

MOTION: AMEND HB 1330

On page 1, line 1, after "to " insert "create an interim property tax task to study property tax structure, process, and payments"

On the Introduced bill, delete everything after the enacting clause and insert:

"

Section 1. The Legislature recognizes the need to address the increase in property taxes, and is creating a task force to study the structure, process, and payments within South Dakota to determine what is a fair and equitable process.

Section 2. There is hereby created an interim property tax task force to study property tax structure, process, and payments and to make recommendations to the Legislature on a comprehensive statewide policy approach to effectively address property taxes in the State of South Dakota. The task force shall consist of twelve members:

(1) The president pro tempore shall appoint six members of the Senate; and

(2) The speaker of the House of Representatives shall appoint six members of the House of Representatives.

Section 3. The initial appointments will be made no later than July 15, 2022, and shall serve until December 1, 2022. If there is a vacancy on the task force, it shall be filled in the same manner as the original appointment.

Section 4. The task force shall prepare a report to be delivered to the Legislature no later than December 1, 2022. "

Moved by: Pischke
Second by: Randolph
Action: Prevailed by roll call vote (10-0-3-0)

Voting Yes: Derby, Drury, Jamison, Olson, Ernie Otten, Randolph, Thomason, Tidemann, Pischke, and Dennert

Excused: Chaffee, Koth, and Pourier

MOTION: DO PASS HB 1330 AS AMENDED

Moved by: Randolph
Second by: Chaffee
Action: Was not acted on.

MOTION: SUBSTITUTE MOTION: DEFER HB 1330 TO THE 41ST LEGISLATIVE DAY

Moved by: Tidemann
Second by: Olson
Action: Prevailed by roll call vote (7-4-2-0)

Voting Yes: Derby, Drury, Jamison, Olson, Ernie Otten, Thomason, and Tidemann

Voting No: Chaffee, Randolph, Pischke, and Dennert

Excused: Koth and Pourier

MOTION: ADJOURN

Moved by: Chaffee

Second by: Drury

Action: Prevailed by voice vote

Gail Tennant, Committee Secretary

/s/ DREW DENNERT
Drew Dennert, Chair