



2022 South Dakota Legislature
House Bill 1173
ENROLLED

AN ACT

ENTITLED An Act to include a common paymaster as within the meaning of employing unit.

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

Section 1. That § 61-1-3 be AMENDED:

61-1-3. As used in this title, the term, employing unit, means an individual or type of organization, including any partnership, limited liability company, association, trust, estate, joint-stock company, insurance company or corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee or successor thereof, or the legal representative of a deceased person, which has had in its employ one or more individuals performing services for it within this state. Each individual performing services within this state for any employing unit which maintains two or more separate establishments within this state is deemed to be employed by a single employing unit for all the purposes of this title. Each individual employed to perform or to assist in performing the work of any agent or employee of an employing unit is deemed to be employed by the employing unit for all the purposes of this title, whether the individual was hired or paid directly by the employing unit or by the agent or employee, if the employing unit had actual or constructive knowledge of the work.

For purposes of this title, an employing unit includes a common paymaster. As used in this section, the term, common paymaster, means a business entity that disburses remuneration to employees of two or more business entities on behalf of the other business entities and is responsible for keeping books and records for the payroll with respect to the employees. The amount disbursed to an individual employed concurrently by two or more related business entities is determined by 26 U.S.C. § 3306(p) as of January 1, 2022. The department shall promulgate rules pursuant to chapter 1-26 to determine when a common paymaster relationship exists between business entities.

An Act to include a common paymaster as within the meaning of employing unit.

I certify that the attached Act originated in
the:
House as Bill No. 1173

Received at this Executive Office
this ____ day of _____,
2022 at _____ M.

Chief Clerk

By _____
for the Governor

Speaker of the House

The attached Act is hereby
approved this _____ day of
_____, A.D., 2022

Attest:

Chief Clerk

Governor

STATE OF SOUTH DAKOTA,

ss.

Office of the Secretary of State

President of the Senate

Attest:

Filed _____, 2022
at _____ o'clock ___ M.

Secretary of the Senate

Secretary of State

House Bill No. 1173
File No. _____
Chapter No. _____

By _____
Asst. Secretary of State