

State of South Dakota

EIGHTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, 2013

427U0437

HOUSE TAXATION ENGROSSED NO. **HB 1153** - 01/31/2013

Introduced by: Representatives Peterson, Bartling, Bolin, Cammack, Campbell, Craig, Cronin, Dryden, Duvall, Feickert, Gibson, Gosch, Greenfield, Hansen, Hawley, Hickey, Hoffman, Hunhoff (Bernie), Kirschman, Kopp, Latterell, Magstadt, Novstrup (David), Olson (Betty), Parsley, Rounds, Rozum, Schrempp, Solum, Stalzer, Tulson, Tyler, and Verchio and Senators Begalka, Brown, Frerichs, Holien, Hunhoff (Jean), Johnston, Krebs, Lederman, Lucas, Maher, Novstrup (Al), Olson (Russell), Peters, Rampelberg, Rave, Rhoden, Tidemann, Tieszen, Van Gerpen, Vehle, and White

1 FOR AN ACT ENTITLED, An Act to exempt certain environmental upgrade values from
2 assessment during construction and to provide a sunset clause for the environmental upgrade
3 exemption.

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

5 Section 1. That § 10-35-1.9 be amended to read as follows:

6 10-35-1.9. The first year after the environmental upgrade is operational, the original cost of
7 the environmental upgrade, as reported to the agency regulating the coal-fired power plant, is
8 exempt from ad valorem taxation. In the second and subsequent years after the environmental
9 upgrade is operational, the depreciated cost of the environmental upgrade, as reported to the
10 agency regulating the coal-fired power plant, is exempt from ad valorem taxation. Any value
11 that is attributable to the construction work in progress on the environmental upgrade shall be



1 excluded from the assessment process of the owner or owners of the coal-fired power plant.

2 This exemption shall be allocated proportionately, based upon percentage ownership of the
3 coal-fired power plant. However, no coal-fired power plant may have its assessed valuation
4 reduced below its valuation for the year preceding the first year ~~it received this exemption~~ the
5 environmental upgrade is operational.

6 Section 2. That §§ 10-35-1.7 to 10-35-1.10, inclusive, be repealed on January 1, 2046.