



## 2024 South Dakota Legislature

# House Bill 1082

HOUSE MILITARY AND VETERANS AFFAIRS ENGROSSED

Introduced by: **Representative Pinnow**

1 **An Act to change the eligibility requirements, and the exempt value, of a property**  
 2 **tax relief program for disabled veterans and surviving spouses.**

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

4 **Section 1. That § 10-4-40 be AMENDED:**

5 **10-4-40.** ~~One~~ Two hundred ~~five~~ thousand dollars of the full and true value of the  
 6 total amount of a dwelling or portion thereof classified as owner-occupied pursuant to  
 7 §§ 10-13-39 to 10-13-40.4, inclusive, that is owned and occupied by a veteran who is  
 8 rated as permanently and totally disabled from a service-connected disability is exempt  
 9 from property taxation. The veteran shall apply for this partial exemption on a form  
 10 prescribed by the secretary of revenue. Any application or supporting document for this  
 11 exemption is confidential. Any veteran who would otherwise qualify for this exemption but  
 12 fails to comply with the application deadline for the owner-occupied classification or the  
 13 deadline for application for this exemption may petition the board of county commissioners  
 14 to recalculate the taxes based upon the owner-occupied classification and this exemption  
 15 and abate or refund the difference in taxes pursuant to chapter 10-18.

16 Beginning on January 1, 2025, the total amount of full and true value exempt under  
 17 this section increases annually by the index factor. The index factor is the annual  
 18 percentage change in the consumer price index for urban wage earners and clerical  
 19 workers as computed by the Bureau of Labor Statistics of the United States Department  
 20 of Labor during the prior year.

21 If the director of equalization determines that the veteran receives an exemption  
 22 for the veteran's dwelling pursuant to this section, the veteran retains that exemption  
 23 until ~~such time as~~ the property ownership is transferred, the veteran does not occupy the  
 24 dwelling, or the property has a change in use. If the legal description of property is  
 25 changed or amended and the veteran continues to reside in the dwelling, the veteran  
 26 retains the exemption provided by this section.

1 **Section 2. That § 10-4-41 be AMENDED:**

2 **10-4-41.** ~~One~~Two hundred fifty thousand dollars of the full and true value of the  
3 total amount of a dwelling, or portion thereof, classified as owner-occupied pursuant to  
4 §§ 10-13-39 to 10-13-40.4, inclusive, is exempt from property taxation if owned and  
5 occupied by:

- 6 (1) The surviving spouse of a veteran who was rated as permanently and totally  
7 disabled from a service-connected disability; or  
8 (2) The surviving spouse of a veteran, who receives dependency and indemnity  
9 compensation from the United States Department of Veterans Affairs as a result of  
10 the veteran's service-connected death.

11 The surviving spouse shall apply for this partial exemption on a form prescribed by  
12 the secretary of revenue. Any application or supporting document for this exemption is  
13 confidential. Any surviving spouse who would otherwise qualify for this exemption but fails  
14 to comply with the application deadline for the owner-occupied classification or the  
15 deadline for application for this exemption may petition the board of county commissioners  
16 to recalculate the taxes based upon the owner-occupied classification and this exemption  
17 and abate or refund the difference in taxes pursuant to chapter 10-18.

18 Beginning on January 1, 2025, the total amount of full and true value exempt under  
19 this section increases annually by the index factor. The index factor is the annual  
20 percentage change in the consumer price index for urban wage earners and clerical  
21 workers as computed by the Bureau of Labor Statistics of the United States Department  
22 of Labor during the prior year.

23 If the director of equalization determines that the surviving spouse receives an  
24 exemption for the dwelling pursuant to this section, the surviving spouse retains that  
25 exemption ~~until such time as~~ the property ownership is transferred, the surviving spouse  
26 does not occupy the dwelling, the surviving spouse remarries, or the property has a  
27 change in use. If the legal description of property is changed or amended and the surviving  
28 spouse continues to reside in the dwelling, the surviving spouse retains the exemption  
29 provided by this section.

30 **Section 3. That § 10-6-154 be AMENDED:**

31 **10-6-154.** The director shall mail or transmit electronically a notice of assessment  
32 to each property owner not later than March first that contains:

- 1 (1) A statement that property occupied by the owner or a parent of the owner may be  
2 eligible for tax relief by being classified as an owner-occupied single-family dwelling  
3 pursuant to §§ 10-13-39 through 10-13-40;
- 4 (2) A statement that property owned and occupied by a veteran who is rated as  
5 permanently and totally disabled from a service-connected disability, or the  
6 veteran's surviving spouse, may be eligible for tax relief pursuant to §§ 10-4-40  
7 and 10-4-41;
- 8 (3) A statement that a dwelling specifically designed for use by a paraplegic as a  
9 wheelchair home that is owned and occupied by a paraplegic veteran, a veteran  
10 with the loss or loss of use of both lower extremities, or the veteran's surviving  
11 spouse may be eligible for tax relief pursuant to § 10-4-24.10;
- 12 (4) A statement that a dwelling owned and occupied by a paraplegic or an individual  
13 with the loss or loss of use of both lower extremities may be eligible for tax relief  
14 pursuant to § 10-4-24.11;
- 15 (5) A statement that property owned by a citizen who reached sixty-five years of age  
16 or who is disabled may be eligible for tax relief pursuant to chapter 10-6A; and
- 17 (6) Uniform information prescribed by the secretary of the department.  
18 The secretary of the department may promulgate rules, pursuant to chapter 1-26,  
19 concerning the form and content of the notice.