

# **The Agricultural Land Assessment Implementation and Oversight Advisory Task Force 2024 Final Report**



## **Study Assignment**

Established pursuant to SDCL 10-6-134, the Agricultural Land Assessment Implementation and Oversight Advisory Task Force advises the Department of Revenue "regarding the rules promulgated by the department to administer the provisions of law concerning the assessment and taxation of agricultural land" and "reviews the implementation of the provisions of law concerning the assessment and taxation of agricultural land." The task force may present draft legislation and policy recommendations to the Executive Board of the Legislative Research Council. The task force is composed of four members of the House of Representatives, four members of the Senate, and six members of the general public.

## **Summary of Interim**

The task force held its first and only meeting on September 10 in Pierre. The Department of Revenue discussed the discontinuation of data previously reported by the National Agricultural Statistics Service and used in the calculation of agricultural productivity. Going forward, the department will transition to using data published by the U.S. Department of Agriculture's Risk Management Agency. The department gave an update on parcel adjustments and changes that came from the passage of HB 1325 during the 2022 Legislative Session. The department also provided an update on data used for agricultural productivity calculations:

- The cropland average dollar per acre increased 6.96 percent on a statewide basis; and
- The noncropland average dollar per acre increased 2.5 percent on a statewide basis.

The task force discussed communicating with the Study Committee on Property Tax Assessment Methodology to provide a perspective on recent developments in the assessment of agricultural property and the effectiveness of the agricultural productivity formula. The task force agreed that the chair should testify at the next meeting of the Study Committee on Property Tax Assessment Methodology.

## **Listing of Recommendations Adopted by the Committee**

None.

## **Summary of Meeting Dates and Places**

The committee met on September 10, 2024, at the State Capitol in Pierre.

## **Listing of Committee Members**

Representatives Kirk Chaffee, Chair; Oren Lesmeister, Vice-Chair; Senators Red Dawn Foster, Steve Kolbeck, Liz Larson, and Erin Tobin; and Representatives Drew Peterson and Kady Wittman; and public members David Anderson, Dan Doyle, Greg Endres, Caleb Finck, David Owen, and Larry Tidemann.

## **Listing of Staff Members**

Will Steward, Research Analyst; Joslyn Jessop, Senior Fiscal Analyst; and Bailey Fiero, Administrative Specialist.

