



2025 South Dakota Legislature

House Bill 1235

HOUSE STATE AFFAIRS ENGROSSED

Introduced by: **Representative Jamison**

1 **An Act to reduce a limit on the annual increases of property tax revenues payable**
 2 **to certain taxing districts, and to subject school districts to a limit on property**
 3 **taxes collected in a year.**

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

5 **Section 1. That § 10-13-35 be AMENDED:**

6 **10-13-35.** ~~This section does not apply to school districts. For taxes payable in~~
 7 ~~1997, and each year thereafter, the~~The total amount of revenue payable from taxes on
 8 real property within a taxing district, ~~excluding the levy pursuant to § 10-13-36,~~ may
 9 increase no more than the lesser of ~~three~~ two and one-half percent or the index factor, as
 10 defined in § 10-13-38, over the amount of revenue payable from taxes on real property
 11 in the preceding year, ~~excluding the amount of taxes levied pursuant to § 10-13-36. This~~
 12 section does not apply to the amount of taxes levied pursuant to §§ 10-12-43, 10-13-36,
 13 13-16-7, 13-16-7.2, 13-16-7.3, 13-16-10, and 13-37-16.

14 After applying the index factor, a taxing district may increase the revenue payable
 15 from taxes on real property above the limitations provided by this section by the
 16 percentage increase of value resulting from any improvements or change in use of real
 17 property, annexation, minor boundary changes, and any adjustments in taxation of
 18 property separately classified and subject to statutory adjustments and reductions under
 19 chapters 10-4, 10-6, 10-6A, and 10-6B, except § 10-6-113, only if assessed the same as
 20 property of equal value.

21 A taxing district may further increase the revenue it receives from taxes on real
 22 property above the ~~limit~~ limitations provided by this section for taxes levied to pay the
 23 principal, interest, and redemption charges on any bonds ~~issued after January 1,~~
 24 ~~1997, which that~~ are subject to referendum; ~~z~~ scheduled payment increases on bonds; ~~z~~ and
 25 for a levy directed by the order of a court for the purpose of paying a judgment against
 26 ~~such the~~ taxing district. ~~Any A~~ taxing district ~~created after the effective date of this section~~

- 1 is exempt from the limitation provided by this section for a period of two years immediately
- 2 following its creation.