

2025 South Dakota Legislature

House Bill 1143**AMENDMENT 1143A
FOR THE INTRODUCED BILL**

This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.

1 **An Act to ~~repeal the requirement for an oath or undertaking by an officer of a third~~**
 2 **~~class municipality~~ require that the director of equalization adjust certain**
 3 **agricultural land values.**

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

5 **Section 1. That § 10-6-130 be AMENDED:**

6 **10-6-130.** All soils ~~must be~~ are divided into classes based on soil classification
 7 standards developed by the United States Department of Agriculture, Natural Resources
 8 Conservation Service. All agricultural land must be categorized as either cropland or
 9 noncropland. Soil types with land capability class I, II, and III must be categorized as
 10 cropland and soil types with land capability classes V, VI, VII, and VIII must be categorized
 11 as noncropland. Soil types with land capability class IV may be categorized by the director
 12 of equalization as either cropland or as noncropland. The director of equalization ~~must~~
 13 shall notify the department by November ~~±~~ first of each year of any changes to the
 14 categorization of the land capability class IV soil types. Beginning with the 2023
 15 assessment year, the total acres of class IV soil types classified as noncropland in a county
 16 may increase a maximum of twenty percent over the total acres of class IV soil types
 17 classified as noncropland in the county in the previous assessment year. The department
 18 shall provide each county with soil ratings for all soil types present in the county. The
 19 director of equalization shall implement the soil ratings and utilize the ratings as the basis
 20 for determining the value of each soil type in the county.

21 The director may make an adjustment to a parcel pursuant to § 10-6-131.

22 Nothing in this section prohibits the department from categorizing soil types with
 23 land capability class I, II or III as noncropland if one or more of the adjustment factors
 24 contained in § 10-6-131 affects the productivity of the soil type, and the reasonable,
 25 probable use of the soil type that is physically practical, appropriately supported,

1 financially feasible, and that results in the highest sustainable use of the land, is not
2 harvesting crops or plants produced.

3 **Section 2. That § 10-6-131 be AMENDED:**

4 **10-6-131.** Before July first each year, the secretary of revenue shall annually
5 provide each director the agricultural income value for each county as computed pursuant
6 to § 10-6-127. The director shall annually determine the assessed value of agricultural
7 land. The director may adjust the assessed value of agricultural land to the extent that
8 one or more of the following factors negatively affect the productivity of the land:

- 9 (1) Location;
- 10 (2) Size;
- 11 (3) Soil survey statistics;
- 12 (4) Terrain;
- 13 (5) Topographical condition;
- 14 (6) Climate;
- 15 (7) Accessibility; or
- 16 (8) Surface obstructions, including shelterbelts.

17 If the director determines that one or more of the factors provided in this section
18 negatively affects the productivity of the land, the director shall adjust the assessed value
19 of the land.

20 The director shall document each adjustment by using data from sources
21 reasonably related to the adjustment being made. In addition, the director may use data
22 from comparable sales of agricultural land to document the adjustment concerning
23 productivity for any of the factors listed in this section.

24 If the actual use of agricultural land varies from the land use category specified by
25 soil classification standards, or if any factors listed in this section exist that affect the
26 productivity of the land, the property owner may request an examination of the land by
27 the director on a form prescribed by the department. The director shall determine whether
28 to adjust the assessed value of the agricultural land pursuant to the factors listed in this
29 section.

30 The director shall document all supporting evidence for the adjustment
31 determination. The director shall provide any adjustment documentation to the
32 department upon request. The director ~~must~~ shall keep the adjustment documentation in
33 the director's office for the life of the adjustment.

1 For the purposes of this section, ~~the term~~ "shelterbelt" means field shelterbelts,
2 farmstead windbreaks, wildlife tree plantings, living snow fences, and other tree plantings
3 made specifically for conservation purposes, but excluding trees planted for ornamental
4 or commercial purposes.
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