

State of South Dakota

EIGHTY-NINTH SESSION LEGISLATIVE ASSEMBLY, 2014

327V0454

SENATE BILL NO. 80

Introduced by: Senators Ewing, Holien, Jones (Chuck), Lucas, Maher, Monroe, Novstrup (Al), Omdahl, Otten (Ernie), Tieszen, and Vehle and Representatives Johns, Duvall, Feinstein, Hajek, Hoffman, May, Novstrup (David), Olson (Betty), Romkema, Rounds, Solum, Tulson, and Werner

1 FOR AN ACT ENTITLED, An Act to provide a credit to homebuilt aircraft for sales and use
2 taxes when paying the aircraft registration tax and to make a reimbursement to the
3 aeronautics fund for the amount of the credit granted.

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

5 Section 1. That chapter 50-11 be amended by adding thereto a NEW SECTION to read as
6 follows:

7 When determining the amount of the registration tax imposed by § 50-11-19 on homebuilt
8 aircraft, a credit for South Dakota sales tax and South Dakota use tax that was paid by the
9 applicant on any purchase of aircraft kits, engines, instruments, and other parts and components
10 used in the construction of the homebuilt aircraft is permitted. The applicant shall provide proof
11 of the South Dakota sales tax and the South Dakota use tax that was paid by the applicant and
12 is eligible for credit by providing any invoice, receipt, or other document that shows the
13 payment of South Dakota sales tax and South Dakota use tax. The amount of the credit
14 permitted by this section may not be greater than the registration tax imposed by § 50-11-19 on



1 the homebuilt aircraft. No credit is permitted for any South Dakota sales tax or South Dakota
2 use tax that was paid more than five years before the date of the application for registration of
3 the homebuilt aircraft.

4 Section 2. That chapter 50-11 be amended by adding thereto a NEW SECTION to read as
5 follows:

6 The Department of Transportation shall inform the Department of Revenue of the amount
7 of credit granted pursuant to section 1 of this Act on a quarterly basis. The Department of
8 Revenue shall transfer to the Department of Transportation, for deposit into the aeronautics
9 fund, the amount of credit granted pursuant to section 1 of this Act. Transfers to the aeronautics
10 fund shall be made on a quarterly basis.