



2026 South Dakota Legislature

Senate Bill 12

Introduced by: **Senator Otten**

1 **An Act to provide for a refund of property taxes in previous years for qualifying**
 2 **veterans and surviving spouses.**

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

4 **Section 1. That § 10-4-24.10 be AMENDED:**

5 **10-4-24.10.** A dwelling or part of a dwelling designed as provided in § 10-4-24.9
 6 that is owned and occupied for the full calendar year in which a tax is to be levied by a
 7 paraplegic veteran, a veteran with the loss or loss of use of both lower extremities, or the
 8 unremarried widow or widower of the veteran is exempt from taxation. ~~Notwithstanding~~
 9 ~~any other provision of law, if~~ If the director of equalization determines that a veteran or
 10 the veteran's unremarried widow or widower is entitled to the exemption provided in this
 11 section, the veteran or the veteran's unremarried widow or widower retains that
 12 exemption until the property ownership is transferred, the veteran or the veteran's
 13 unremarried widow or widower ceases to occupy the dwelling, or the property has a
 14 change in use. If the legal description of the property is changed, the exemption remains
 15 in place as long as the veteran or the veteran's unremarried widow or widower continues
 16 to reside in the dwelling.

17 Any veteran who would otherwise qualify for this exemption but fails to comply
 18 with the application deadline for the owner-occupied classification or the deadline for
 19 application for this exemption may petition the board of county commissioners to refund
 20 the taxes paid in any of the previous four years on the property that would otherwise
 21 qualify for the exemption. The board of county commissioners may, in its discretion, reject
 22 or approve the application for a refund. The petition for, and the consideration and
 23 issuance of, a property tax refund under this section must be in the manner set forth in
 24 chapter 10-18.

25 **Section 2. That § 10-18-2 be AMENDED:**

1 **10-18-2.** The board of county commissioners may compromise, abate or rebate
2 taxes in the following cases:

- 3 (1) The board may abate any or all of the delinquent taxes and penalty on real property
4 if taxes remain unpaid and the property has been offered for sale as required by
5 the code for two successive years and not sold because of depreciation in the value
6 of the property or otherwise, or if any property has been bid in by the county and
7 one year has elapsed since the bid;
- 8 (2) If the board determines that the full amount of any taxes extended and charged
9 against any real property platted into lots and blocks cannot be realized by a sale
10 of the property or otherwise, it may settle or compromise any of the taxes for any
11 year or years as in its judgment is in the best interest of the county;
- 12 (3) The board may compromise, abate, or cancel any taxes extended against any real
13 property conveyed to the State of South Dakota for the benefit of any of its
14 educational institutions, or when the county has acquired lands through foreclosure
15 of permanent school fund mortgage loans, courthouse building fund loans, jail
16 building fund loans, courthouse and jail building fund loans, or through foreclosure
17 of mortgages pledged to the county to secure county deposits or lands taken in
18 satisfaction thereof;
- 19 (4) The board may, as a means of relief, abate in an equitable manner the taxes
20 assessed or extended against real property for the year in which a loss occurred
21 because of flood, fire, storm, or other unavoidable casualty;
- 22 (5) Repealed by SL 1992, ch 80, § 148;
- 23 (6) If the board determines that the full amount of any taxes extended and charged
24 against a centrally assessed railroad company cannot be realized by a sale of the
25 property or otherwise, and the railroad is in bankruptcy or receivership, the board
26 may settle or compromise any of the taxes for any year or years as in its judgment
27 is in the best interest of the county;
- 28 (7) The board may abate or refund the taxes assessed or extended on any real
29 property from which structures have been removed after the assessment date upon
30 verification by the director of equalization;
- 31 (8) The board may abate or refund the taxes pursuant to § 10-6A-4;
- 32 (9) The board may abate or refund the taxes pursuant to § 10-13-40.4;
- 33 (10) The board may abate or refund the taxes pursuant to § 10-4-40; and
- 34 (11) The board may abate or refund the taxes pursuant to § 10-4-24.10.

1 The amount of any such taxes so compromised, abated, or refunded shall be
2 apportioned pro rata among the several funds and taxing districts affected thereby.
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