



## 2026 South Dakota Legislature

# Senate Bill 178

Introduced by: **Senator Voight**

1 **An Act to lower a maximum limit on the tax increment base value.**

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

3 **Section 1. That § 11-9-5 be AMENDED:**

4 **11-9-5.** To ~~establish~~ create a district, the governing body must adopt a resolution  
5 that:

6 (1) Describes the boundaries of ~~a~~ the district with sufficient definiteness to identify  
7 with ordinary and reasonable certainty the territory included. The boundaries may  
8 not split a whole unit of property that is being used for a single purpose;

9 (2) Creates the district on a given date;

10 (3) Includes a finding that the assessed value of the taxable property in the district,  
11 plus the tax increment base of all other existing districts, does not exceed ~~ten~~ two  
12 and one-half percent of the total assessed value of all taxable property in the  
13 political subdivision; and

14 (4) Assigns a name to the district for identification purposes. The first district created  
15 in each political subdivision must be known as "Tax Increment Financing District  
16 Number One, City (or Town, or County) of \_\_\_\_\_." Each subsequently  
17 created district must be assigned the next consecutive number.