



2026 South Dakota Legislature

Senate Bill 223

Introduced by: **Senator Peterson (Sue)**

1 **An Act to modify the requirements for a petition to refer an excess tax levy of a**
 2 **school district to a vote.**

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

4 **Section 1. That § 10-12-43 be AMENDED:**

5 **10-12-43.** The governing body of the school district may raise additional revenues,
 6 for general fund purposes only, from property tax through the imposition of an excess tax
 7 levy. The governing body of a school district may impose the excess tax levy with an
 8 affirmative two-thirds vote of the governing body on or before July fifteenth of the year
 9 prior to the year the taxes are payable. On any excess tax levy approved after July 1,
 10 2002, the governing body of the taxing district shall specify in the resolution the year or
 11 number of years the excess tax levy will be applied and the total maximum dollar amount
 12 of taxes payable over the full term of the excess tax levy.

13 The requirements for an announcement made pursuant to this section are as
 14 follows:

- 15 (1) The decision of the governing body to originally impose or subsequently increase
 16 an excess tax levy shall be first published within ten days of the decision;
- 17 (2) Publication shall be made at least twice in the legal newspaper designated pursuant
 18 to § 13-8-10, with no fewer than five days between publication dates, before the
 19 opt out takes effect;
- 20 (3) The announcement shall be at least three newspaper columns in width and four
 21 inches in length or at least one-sixth of a page in size, whichever size is greater;
- 22 (4) The announcement shall be headed with the following statement in a typeface no
 23 less than eighteen point type: "ATTENTION TAXPAYERS: NOTICE OF PROPERTY
 24 TAX INCREASE OF \$(fill in amount)." The remainder of the announcement shall
 25 consist of a reproduction of the "Resolution for Opt Out," including the amount that
 26 property taxes will be increased annually by the proposed opt out, the number of

1 years that the excess tax levy is to be applied, the total maximum amount of taxes
2 payable over the full term of the excess tax levy, and a statement of the right to
3 refer the decision of the board to a vote of the people as provided in this section.

4 The secretary of revenue, in rules promulgated pursuant to chapter 1-26, shall
5 prescribe a uniform form to be used by the school district for notification of taxpayers as
6 required by this section.

7 However, the requirements of subdivisions (3) and (4) shall be waived if:

8 (A) The opt out is for less than fifteen thousand dollars; or

9 (B) A copy of the resolution for opt out is mailed to every property taxpayer in
10 the local governmental unit, by first class mail or bulk mail, within twenty
11 days of the decision to opt out; and

12 (C) A copy of the resolution for opt out is printed in each official newspaper in
13 the local governmental unit's boundaries.

14 For the purposes of subsections (A), (B), and (C), the first publication is not
15 deemed to have occurred until three days after the mailing is sent or the resolution is
16 delivered to the official newspaper.

17 The opt out decision may be referred to a vote of the people upon a resolution of
18 the governing body of the school district or by a petition signed by at least ~~five percent of~~
19 the fifty registered voters in the school district and filed with the governing body within
20 ~~twenty~~ forty days of the first publication of the decision. The ballot used for an excess tax
21 levy election must clearly state the number of years the excess tax levy is to be applied
22 and the total maximum dollar amount of taxes payable over the full term of the excess
23 tax levy. The election must be conducted in the same manner as a special election
24 conducted pursuant to § 13-16-6.4, except that the referendum election shall be held on
25 or before October first of the year prior to the time the taxes are payable.