



2026 South Dakota Legislature

House Bill 1317

Introduced by: **Representative Ismay**

1 **An Act to eliminate a limit on the accumulation of the unused index factor for**
 2 **property taxation.**

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

4 **Section 1. That § 10-13-35.4 be AMENDED:**

5 **10-13-35.4.** For taxes payable in the year 2003 and each year thereafter, ~~the~~The
 6 county auditor shall calculate ~~what~~ the maximum amount of revenue payable that the
 7 county or municipality may request, based on growth and the index factor pursuant to
 8 § 10-13-35. The calculation ~~shall~~ must also show any ~~accumulative percent of the unused~~
 9 index factor ~~not used~~ accumulated since 2024 by the county or municipality. This
 10 calculation ~~shall exclude~~ excludes the levy pursuant to § 10-13-36.

11 **Section 2. That § 10-13-35.5 be AMENDED:**

12 **10-13-35.5.** ~~The~~A county or municipality may increase the total amount of
 13 revenue payable from taxes on real property in any year up to the maximum amount
 14 calculated in accordance with § 10-13-35.4 utilizing any accumulated unused index factor
 15 ~~from the prior three years. However, such an amount may not exceed the prior three year~~
 16 ~~index factor total or ten percent, whichever is less.~~