



2026 South Dakota Legislature

House Bill 1321

Introduced by: **Representative** Randolph

1 **An Act to require that county treasurers calculate excise tax using the amount**
 2 **shown on a bill of sale for a used vehicle sold, leased, or transferred by a**
 3 **person other than a licensed motor vehicle dealer.**

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

5 **Section 1. That § 32-5B-4 be AMENDED:**

6 **32-5B-4.** For the purposes of this chapter, the "purchase price" is means:

- 7 (1) For a new motor vehicle sale or lease, the total consideration, whether received in
 8 money or otherwise. ~~However, when, provided that if~~ a motor vehicle is taken in
 9 trade as a credit or part payment on a the new motor vehicle, the credit or trade-
 10 in value allowed by the seller ~~shall be is~~ deducted from the total consideration ~~for~~
 11 ~~the new motor vehicle to establish the purchase price;~~
- 12 (2) For a used ~~motor~~ vehicle sold or leased by a licensed motor vehicle dealer, the
 13 total consideration for the used ~~motor~~ vehicle, whether received in money or
 14 otherwise. ~~However, when, provided that if~~ a motor vehicle is taken in trade by the
 15 dealer as a credit or part payment on a the used ~~motor~~ vehicle, the credit or trade-
 16 in value allowed by the dealer ~~shall be is~~ deducted from the total consideration ~~so~~
 17 ~~that the net consideration is established;~~
- 18 (3) For a used ~~motor~~ vehicle sold, leased, or transferred by any person other than a
 19 licensed motor vehicle dealer, the ~~total consideration received in money or~~
 20 ~~otherwise. However, when a motor vehicle is taken in trade as a credit or part~~
 21 ~~payment on a used motor vehicle, the credit or trade in value shall be deducted~~
 22 ~~from the total consideration so that the net consideration is established. The~~
 23 ~~purchaser and seller of the motor vehicle shall submit to the county treasurer a bill~~
 24 ~~of sale, approved and supplied by the secretary. If a bill of sale is not submitted,~~
 25 ~~the excise tax will be assessed on the retail value as stated in a nationally~~
 26 ~~recognized dealers' guide as approved by the secretary of revenue. If the excise~~

- 1 ~~tax is assessed on the retail value, the value of the motor vehicle taken in as credit~~
 2 ~~on trade-in shall be the retail value as stated in the nationally recognized dealers'~~
 3 ~~guide amount shown on the bill of sale, as set forth in section 2 of this Act;~~
- 4 (4) For a ~~new or used~~ motor vehicle, as described in subdivision (1) or (2) of this
 5 section, which is acquired by gift or other transfer for no or nominal consideration;
 6 (a) If a new motor vehicle, the manufacturers' suggested dealer list price ~~for~~
 7 ~~new motor vehicles and for;~~ or
 8 (b) If a used motor vehicles vehicle, the retail value, as stated in a nationally
 9 recognized dealers' guide approved ~~and furnished~~ by the secretary ~~of~~
 10 revenue;
- 11 (5) For a motor vehicle manufactured by a person who registers it under the laws of
 12 this state, the amount expended for materials, labor, and other properly allocable
 13 costs of manufacture or, in the absence of actual expenditures for the manufacture
 14 of a part or all of the motor vehicle, the reasonable value of the completed motor
 15 vehicle;
- 16 (6) For a rebuilt motor vehicle, upon its initial registration and titling, the total
 17 consideration for the salvage vehicle, whether received in money or otherwise, and
 18 the total consideration for any assemblies, subassemblies, parts, or component
 19 parts used;
- 20 (7) For either a ~~new or used~~ motor vehicle or a used vehicle, ~~as defined by~~ described
 21 in § 32-5B-21, which is a closed lease, the total consideration, whether received in
 22 money or otherwise. Total consideration is all lease payments including cash,
 23 rebates, the net trade-in, extended warranties, administrative fees, acquisition
 24 fees, or any other fees assessed on the purchase ~~of the vehicle.~~ Total consideration,
 25 but does not include title fees, registration fees, motor vehicle excise tax paid
 26 pursuant to §§ 32-5B-1, 32-5B-1.1, and 32-5B-21 to 32-5B-24, inclusive, federal
 27 excise taxes attributable to the sale of the motor vehicle to the owner or to the
 28 lease of the motor vehicle by the owner, insurance, and refundable deposits; or
- 29 (8) For either a ~~new or used~~ motor vehicle or a used vehicle, ~~as defined by~~ described
 30 in § 32-5B-21, which is leased, and the terms of the lease are either not certain at
 31 the time the lease contract is executed or the lease is open ended, the purchase
 32 price ~~shall be~~ is the total consideration, whether received in money or otherwise.
 33 Total consideration ~~includes~~ is the purchase price of the motor vehicle, plus cash,
 34 rebates, the net trade-in, extended warranties, administrative fees, acquisition
 35 fees, or any other fees assessed on the purchase ~~of the vehicle.~~ Total consideration,

1 but does not include title fees, registration fees, motor vehicle excise tax paid
2 pursuant to §§ 32-5B-1, 32-5B-1.1, and 32-5B-21 to 32-5B-24, inclusive, federal
3 excise taxes attributable to the sale of the motor vehicle to the owner or to the
4 lease of the motor vehicle by the owner, insurance, and refundable deposits.

5 **Section 2. That a NEW SECTION be added to chapter 32-5B:**

6 At the time an owner sells, leases, or transfers a used vehicle as described in
7 subdivision 32-5B-4(3), the owner must provide to the purchaser a bill of sale, in a form
8 approved by the secretary, which states the total consideration received, in money or
9 otherwise. The purchaser shall submit the bill of sale to the county treasurer within forty-
10 five days after the date of the sale, lease, or transfer.

11 The excise tax imposed pursuant to § 32-5B-1 is assessed on:

12 (1) The amount shown on the bill of sale, provided that if a motor vehicle is taken in
13 trade as a credit or part payment on the used vehicle, the credit or trade-in value
14 is deducted from the total consideration; or

15 (2) If a bill of sale is not submitted, or if the used vehicle is transferred without
16 consideration and is not exempt pursuant to § 6 32-5B-2, the retail value, as stated
17 in a nationally recognized dealers' guide approved by the secretary of revenue,
18 provided that if a motor vehicle is taken in trade as a credit or part payment on
19 the used vehicle, the retail value of the motor vehicle taken in trade is deducted
20 from the total consideration.