

2026 South Dakota Legislature

Senate Bill 118**AMENDMENT 118C
FOR THE INTRODUCED BILL**

1 **An Act to deposit certain tax revenues into a homeowner tax reduction fund.**

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

3 **Section 1. That a NEW SECTION be added to chapter 10-13:**

4 ~~There is created in the state treasury the homeowner tax reduction fund.~~ On or
5 before January thirty-first of each year, the treasurer shall deposit in the homeowner tax
6 reduction fund, as created in Senate Bill 212, and enacted by the One Hundred First
7 Legislature, the greater of one hundred million dollars, or the applicable percent of taxes
8 collected in the previous year pursuant to:

9 (1) Chapter 10-45;

10 (2) Chapter 10-46;

11 (3) Chapter 10-46E; and

12 (4) Chapter 10-58; and

13 ~~(5) — § 32-5B-20.~~

14 ~~The Department of Revenue shall administer the fund. The purpose of the fund is~~
15 ~~to provide a property tax rebate for owner-occupied single-family dwellings. Interest on~~
16 ~~moneys credited to the fund must remain in the fund. Expenditures from the fund must~~
17 ~~be budgeted through the general appropriation bill.~~

18 ~~Moneys in the fund may not be transferred to the general fund.~~

19 ~~If Senate Bill 212 does not become effective, the state treasurer may not transfer~~
20 ~~moneys under this section.~~

21 For purposes of this section, "applicable percent" means three-tenths percent
22 divided by the tax rate provided for the taxes referenced in subdivisions (1) to (5),
23 inclusive, of this section, as applicable.

24 **Section 2. That § 10-46-48 be AMENDED:**

1 **10-46-48.** All revenue arising under the operation of this chapter shall
2 immediately be turned over to the state treasurer and by him credited to the general fund,
3 except as otherwise provided in section 1 of this Act.

4 **Section 3. That § 10-46E-9 be AMENDED:**

5 **10-46E-9.** The revenue from the tax imposed by this chapter shall be deposited
6 in the general fund, except as otherwise provided in section 1 of this Act.

7 **Section 4. That § 10-58-5 be AMENDED:**

8 **10-58-5.** The tax generated by this chapter must be deposited in the general fund,
9 except as otherwise provided in section 1 of this Act.

10 **Section 5.** This Act is effective beginning July 1, 2027.