



## 2026 South Dakota Legislature

# Senate Bill 118

SENATE TAXATION ENGROSSED

Introduced by: **Senator Crabtree**

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 On or before January thirty-first of each year, the treasurer shall deposit in the  
 5 homeowner tax reduction fund, as created in Senate Bill 125, and enacted by the One  
 6 Hundred First Legislature, the greater of one hundred million dollars, or the applicable  
 7 percent of taxes collected in the previous year pursuant to:

8 (1) Chapter 10-45;

9 (2) Chapter 10-46;

10 (3) Chapter 10-46E; and

11 (4) Chapter 10-58.

12 If Senate Bill 125 does not become effective, the state treasurer may not transfer  
 13 moneys under this section.

14 For purposes of this section, "applicable percent" means three-tenths percent  
 15 divided by the tax rate provided for the taxes referenced in subdivisions (1) to (4),  
 16 inclusive, of this section, as applicable.

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

18 **10-46-48.** All revenue arising under the operation of this chapter shall  
 19 immediately be turned over to the state treasurer and by him credited to the general fund,  
 20 except as otherwise provided in section 1 of this Act.

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

22 **10-46E-9.** The revenue from the tax imposed by this chapter shall be deposited  
 23 in the general fund, except as otherwise provided in section 1 of this Act.

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

2 **10-58-5.** The tax generated by this chapter must be deposited in the general fund,  
3 except as otherwise provided in section 1 of this Act.

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