

## 2026 South Dakota Legislature

**House Bill 1254****AMENDMENT 1254B  
FOR THE HOUSE TAXATION ENGROSSED BILL**

1 **An Act to exempt any soil amendment used exclusively for agricultural purposes**  
2 **from sales tax, ~~and to modify the definition of a soil amendment.~~**

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

4 **Section 1. That a NEW SECTION be added to chapter 10-45:**

5 There are specifically exempted from the provisions of this chapter and from the  
6 computation of the amount of tax imposed by it, the gross receipts from the sale of any  
7 soil amendment, as defined in § 38-19A-1, provided five hundred pounds or more of any  
8 one of these products is sold in a single sale to be used exclusively for agricultural  
9 purposes.

10 **~~Section 2. That § 38-19A-1 be AMENDED:~~**

11 **~~38-19A-1.~~** Terms as used in this chapter, unless the context otherwise requires, shall mean:

12 ~~(1) "Brand," any trademark, product name, or other specific designation under which any~~  
13 ~~individual soil amendment is offered for sale;~~

14 ~~(2) "Bulk," nonpackaged form;~~

15 ~~(3) "Distributing," importing, consigning, manufacturing, producing, compounding, mixing or~~  
16 ~~blending any soil amendment, or offering for sale, selling, bartering, or otherwise supplying~~  
17 ~~any soil amendment in this state;~~

18 ~~(4) "Distributor," any person who distributes any soil amendment in this state;~~

19 ~~(5) "Investigational allowance," any allowance for variations inherent in the taking,~~  
20 ~~preparation and analysis of an official sample of a soil amendment;~~

1 ~~(6) "Label," any display of all written, printed, or graphic matter upon the immediate container~~  
2 ~~or statement accompanying a soil amendment;~~

3 ~~(7) "Labeling," any written, printed, or graphic matter, upon or accompanying any soil~~  
4 ~~amendment, or advertisements, brochures, posters, or television or radio announcements~~  
5 ~~used in promoting the sale of such soil amendment;~~

6 ~~(7A) "Manipulated manure," any animal or vegetable manure collected or~~  
7 ~~stored in a manner consistent with practices commonly implemented in agricultural production~~  
8 ~~that has been subjected to practices including composting, mechanical dewatering, or~~  
9 ~~pelletizing or altered in any way to change chemical, physical, or biological characteristics;~~

10 ~~(7B) "Microbe," any microbiological organism or mixture of microbiological~~  
11 ~~organisms intended to produce any physical, chemical, biochemical, biological, or other~~  
12 ~~change in the soil;~~

13 ~~(8) "Minimum percentage," that percentage of soil amendment ingredient that shall be~~  
14 ~~present in a product before the product may be accepted for registration when distributed in~~  
15 ~~any form or manner;~~

16 ~~(9) "Official sample," any sample of a soil amendment taken by the secretary and so~~  
17 ~~designated;~~

18 ~~(10) "Percent," percentage by weight;~~

19 ~~(11) "Registrant," any person who shall register any soil amendments under~~  
20 ~~the provisions of this chapter;~~

21 ~~(12) "Secretary," the secretary of the Department of Agriculture and Natural~~  
22 ~~Resources of the State of South Dakota;~~

23 ~~(13) "Soil amending ingredient," any substance which will improve the~~  
24 ~~physical, chemical, or other characteristic of the soil or improve crop production;~~

25 ~~(14) "Soil amendment," any substance which is intended to improve the~~  
26 ~~physical, chemical, or other characteristics of the soil or improve crop production, except the~~  
27 ~~following: commercial fertilizer, unmanipulated animal manures, unmanipulated vegetable~~  
28 ~~manures, pesticides, lime or lime sludge produced by a water treatment facility, sewage~~  
29 ~~sludge, as defined in § 38-19-1, and compost as defined in § 38-19-1;~~

- 1 ~~(15)~~ ~~"Soil ingredient form," any ingredient or the chemical compound of an~~  
2 ~~ingredient;~~
- 3 ~~(16)~~ ~~"Ton," two thousand pounds avoirdupois net weight; and~~
- 4 ~~(17)~~ ~~"Weight," the weight of that material offered for sale.~~

AMENDED