

## 2026 South Dakota Legislature

**Senate Bill 226****AMENDMENT 226A  
FOR THE INTRODUCED BILL**

1 **An Act to increase a limit on video lottery gaming, and to deposit moneys into a new**  
2 **fund.**

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

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

5 There is created in the state treasury the residential tax reduction fund.

6 The Department of Revenue shall administer the fund. The purpose of the fund is  
7 to provide property tax relief for owner-occupied single-family dwellings. Interest on  
8 moneys credited to the fund must remain in the fund. Expenditures from the fund must  
9 be budgeted through the general appropriation bill.

10 **Section 2. That § 42-7A-38 be AMENDED:**

11 **42-7A-38.** A video lottery machine may not allow more than ~~two~~ five dollars to be  
12 played on a game or award free games or credits in excess of one thousand dollars per  
13 bet. The payback value of one credit ~~shall~~ must be at least eighty percent of the value of  
14 the credit.

15 **Section 3. That § 42-7A-63 be AMENDED:**

16 **42-7A-63.** The commission shall maximize revenues to the state from video  
17 lottery. The state's percentage of net machine income ~~shall be~~ is fifty percent. ~~The~~ After  
18 one-half of one percent of net machine income has been deposited into the video lottery  
19 operating fund pursuant to § 42-7A-41.1, the state's percentage of net machine income  
20 shall be directly ~~must be~~ deposited to the general fund, ~~except for one-half of one percent~~  
21 ~~of net machine income authorized for deposit into the video lottery operating fund~~ in an  
22 amount up to one hundred ~~sixty-five~~ seventy-five million dollars in a year.

1           Moneys collected as the state's percentage of net machine income in excess of one  
2           hundred ~~sixty-five~~ seventy-five million dollars in a year must be deposited into the  
3           residential tax reduction fund established in section 1 of this Act.

4           The limitation set forth in this section on the amount deposited in the general fund  
5           annually increases by three percent.

AMENDED