

2026 South Dakota Legislature

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

1 **An Act to ~~increase a limit on video lottery gaming, and to deposit moneys into a new~~**
2 **~~fund~~deposit video lottery proceeds into a residential tax reduction 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 played on~~
12 ~~a game or award free games or credits in excess of one thousand dollars per bet. The payback~~
13 ~~value of one credit shall must be at least eighty percent of the value of the credit.~~

14 **Section 2. That § 42-7A-63 be AMENDED:**

15 ~~**42-7A-63.** The commission shall maximize revenues to the state from video~~
16 ~~lottery. The state's percentage of net machine income ~~shall be~~ is fifty percent. ~~The~~ After~~
17 ~~one-half of one percent of net machine income has been deposited into the video lottery~~
18 ~~operating fund pursuant to § 42-7A-41.1, the~~ state's percentage of net machine income
19 ~~shall be directly must be deposited to the general fund, except for one-half of one percent~~
20 ~~of net machine income authorized for deposit into the video lottery operating fund in an~~
21 ~~amount up to one hundred ~~sixty-five~~ seventy-five million dollars in a year.~~

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

- 1 The limitation set forth in this section on the amount deposited in the general fund
- 2 annually increases by three percent.

AMENDMENT