



2026 South Dakota Legislature
Senate Bill 154
ENROLLED

AN ACT

ENTITLED An Act to clarify the eligibility of multiple garages or structures to be classified as owner-occupied.

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

Section 1. That § 10-13-39 be AMENDED:

10-13-39. Each owner-occupied single-family dwelling in this state is specifically classified for the purpose of taxation. For the purposes of this section, an owner-occupied single-family dwelling is a house, condominium apartment, residential housing consisting of four or less family units, town house, town home, housing cooperatives where membership in the cooperative is strictly limited to stockholder occupants of the building, dwelling as classified in § 10-13-39.1, and manufactured or mobile home as defined in § 32-3-1, which is assessed and taxed as a separate unit. An owner-occupied single-family dwelling includes all garages and ancillary structures related to the residential use of the dwelling by the owner, and the parcels of land upon which the garages or structures are situated, as recorded in the records of the director of equalization.

A person may only have one dwelling, which is the person's principal place of residence as defined in § 12-1-4, classified as an owner-occupied single-family dwelling. If the owner occupies fifty percent or more of the living space within the dwelling, the entire dwelling is classified as an owner-occupied single-family dwelling. If the owner occupies a duplex, triplex, or fourplex, or less than fifty percent of the living space within the dwelling, the portion of the dwelling so occupied must be classified as an owner-occupied single-family dwelling.

Section 2. That § 10-13-45 be AMENDED:

10-13-45. Any contractor that has constructed or is constructing a single-family dwelling, as defined in § 10-13-39, for the purpose of selling the dwelling to be occupied as a single-family dwelling may apply to have the property specifically classified for the

purpose of taxation pursuant to §§ 10-13-39 to 10-13-40.3, inclusive, as an owner-occupied single-family dwelling.

A contractor may only have a maximum of four dwellings classified as owner-occupied single-family dwellings. If any portion of the space is or has been occupied, only the portion of the dwelling not currently or previously occupied shall be classified as an owner-occupied single-family dwelling. The contractor shall comply with the application provisions imposed on the owner-occupant pursuant to §§ 10-13-39 to 10-13-40.3, inclusive. No dwelling, pursuant to this section, may be classified as an owner-occupied single-family dwelling for more than two consecutive years.

An Act to clarify the eligibility of multiple garages or structures to be classified as owner-occupied.

I certify that the attached Act originated in
the:
Senate as Bill No. 154

Received at this Executive Office
this ____ day of _____,
2026 at _____ M.

Secretary of the Senate

By _____
for the Governor

President of the Senate

The attached Act is hereby
approved this ____ day of
_____, A.D., 2026

Attest:

Secretary of the Senate

Governor

STATE OF SOUTH DAKOTA,

ss.

Office of the Secretary of State

Speaker of the House

Attest:

Filed _____, 2026
at _____ o'clock __ M.

Chief Clerk of the House

Secretary of State

Senate Bill No. 154
File No. _____
Chapter No. _____

By _____
Asst. Secretary of State