



2026 South Dakota Legislature
House Bill 1264
ENROLLED

AN ACT

ENTITLED An Act to eliminate the Agricultural Land Assessment Implementation and Oversight Advisory Task Force, and to provide that the Department of Revenue receive the submission of recommendations and provide a report on agricultural value.

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

Section 1. That § 10-6-124 be AMENDED:

10-6-124. The secretary of the department may promulgate rules pursuant to chapter 1-26 concerning the:

- (1) Collection and tabulation of information required to determine median appraisal or sales assessment ratio, and coefficient of dispersion;
- (2) Criteria to be included in a compliance audit of assessment practices;
- (3) Conditions under which a certificate of compliance may be issued to a county;
- (4) Procedures for determining the valuation of agricultural buildings and structures;
- (5) Procedures for determining the valuation of dwellings on agricultural land and automobile garages or portions of buildings used as automobile garages;
- (6) Application of cropland and noncropland income values;
- (7) Application of soil classification standards; and
- (8) Procedures for making adjustments to the value of agricultural land pursuant to §§ 10-6-127 to 10-6-132, inclusive.

Section 2. That § 10-6-128 be AMENDED:

10-6-128. The secretary of the department may contract with one or more qualified entities for the purpose of creating or maintaining a database to determine the agricultural income value of agricultural land by county, consisting of eight consecutive years of cropland data and noncropland data. The data for the year representing the highest agricultural income value among the eight years and the year representing the

lowest agricultural income value among the eight years must be discarded from the database and the remaining six years averaged for valuation purposes. For each assessment year, the first year of the eight-year data period is nine years prior to the assessment year.

The cropland data must include acres planted, acres harvested, yield per acre, and statewide crop prices. The noncropland data must include cash rents and statewide calf prices. The noncropland data may also include rangeland and pastureland animal unit months per acre, rangeland and pastureland acres, and grazing season data.

A qualified entity contracting with the secretary of the department pursuant to this section shall provide the data for each county to the secretary by June first of each year.

For purposes of this section, a qualified entity is a federal or state agency, instrumentality, institution of higher learning, other federal or state authority, or private entity with expertise in researching or evaluating land production capacity.

On or before March first of each year, the department shall provide a report to the Taxation Committees in the Senate and the House of Representatives on the data compiled pursuant to this section.

Section 3. That § 10-6-129 be AMENDED:

10-6-129. An entity contracting with the department pursuant to § 10-6-128 may submit recommendations regarding the factors to use for the percentage of annual earning capacity to be used to determine the agricultural income value of the land pursuant to § 10-6-127. Any recommendations under this section must be submitted to the department by September first of each year.

Section 4. That § 10-6-134 be REPEALED.

Section 5. That § 10-6-135 be REPEALED.

An Act to eliminate the Agricultural Land Assessment Implementation and Oversight Advisory Task Force, and to provide that the Department of Revenue receive the submission of recommendations and provide a report on agricultural value.

I certify that the attached Act originated in the:

House as Bill No. 1264

Chief Clerk of the House

Speaker of the House

Attest:

Chief Clerk of the House

President of the Senate

Attest:

Secretary of the Senate

House Bill No. 1264
File No. _____
Chapter No. _____

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

By _____
for the Governor

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

Governor

STATE OF SOUTH DAKOTA,

ss.

Office of the Secretary of State

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

Secretary of State

By _____
Asst. Secretary of State