

2026 South Dakota Legislature

Senate Bill 245**AMENDMENT 245F
FOR THE INTRODUCED BILL**

1 **An Act to ~~promote the future success and development of South Dakota~~ create the**
2 **homeowner property tax reduction fund, and to transfer moneys to the**
3 **homeowner property tax reduction fund.**

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

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

6 There is created in the state treasury the homeowner property tax reduction fund.
7 The Department of Revenue shall administer the fund. The purpose of the fund is
8 to provide property tax relief for owner-occupied single-family dwellings. Moneys in the
9 fund must be used to ~~fully replace the local effort for special education levies on owner-~~
10 ~~occupied single-family dwellings, and thereafter to~~ reduce the local effort for general
11 education levies on owner-occupied single-family dwellings.

12 Interest on moneys credited to the fund must remain in the fund. Expenditures
13 from the fund must be budgeted through the general appropriation bill.

14 Moneys in the fund may not be transferred to the general fund.

15 **Section 2. That a NEW SECTION be added to chapter 10-13:**

16 The treasurer shall deposit in the homeowner property tax reduction fund
17 established in section 1 of this Act, the applicable percent of taxes collected on or after
18 August 1, 2027, pursuant to:

- 19 (1) Chapter 10-45;
20 (2) Chapter 10-46;
21 (3) Chapter 10-46E; and
22 (4) Chapter 10-58.

1 For purposes of this section, "applicable percent" means three-tenths percent
2 divided by the tax rate provided for the taxes referenced in subdivisions (1) to (4),
3 inclusive, of this section, as applicable.

4 **Section 3. That § 10-46-48 be AMENDED:**

5 **10-46-48.** All revenue arising under the operation of this chapter shall
6 immediately be turned over to the state treasurer and by him credited to the general fund,
7 except as otherwise provided in section 2 of this Act.

8 **Section 4. That § 10-46E-9 be AMENDED:**

9 **10-46E-9.** The revenue from the tax imposed by this chapter shall be deposited
10 in the general fund, except as otherwise provided in section 2 of this Act.

11 **Section 5. That § 10-58-5 be AMENDED:**

12 **10-58-5.** The tax generated by this chapter must be deposited in the general fund,
13 except as otherwise provided in section 2 of this Act.

14 **Section 6.** On July 1, 2026, the state treasurer shall transfer ~~\$55,597,663~~ \$55,896,576 from
15 the general revenue replacement fund to the homeowner property tax reduction fund.

16 **Section 7.** Sections 2 to 5, inclusive, of this Act are effective beginning July 1, 2027.

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