



2026 South Dakota Legislature
House Bill 1089
ENROLLED

AN ACT

ENTITLED An Act to modify the distributions of revenues collected from severance taxation on new permits.

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

Section 1. That § 10-39-54 be AMENDED:

10-39-54. All taxes, interest and penalties imposed and collected by the secretary of revenue under this chapter must be distributed as follows:

- (1) For persons severing precious metals that were in business in the state prior to January 1, 1981, all revenues collected must be deposited in the state treasury and credited to the general fund;
- (2) For persons permitted on or after January 1, 1981, but before July 1, 2026, for the purpose of severing precious metals, eighty percent of the revenues collected must be deposited in the state treasury and credited to the general fund, while the remaining twenty percent must be remitted by the secretary of the department to the treasurer of the county in which the precious metals were severed. When the county has received a total of one million dollars attributable to any person subject to the tax, all future revenues attributable to that person must be deposited in the state treasury and credited to the general fund. No merger, consolidation or acquisition of a person subject to §§ 10-39-54 to 10-39-54.4, inclusive, by another such person, limits the share of revenue due to the county from the person; and
- (3) For persons permitted on or after July 1, 2026, for the purpose of severing precious metals, eighty percent of the revenues collected must be deposited in the state treasury and credited to the general fund, while the remaining twenty percent must be remitted by the secretary of the department to the treasurer of the county in which the precious metals were severed. No merger, consolidation or acquisition of a person subject to §§ 10-39-54 to 10-39-54.4, inclusive, by another such person limits the share of revenue due to the county from the person.

Any revenues attributed to the severance of precious metals from lands owned or controlled by this state must be deposited in the common school permanent fund.

Section 2. That § 10-39-54.1 be AMENDED:

10-39-54.1. The secretary of the department shall transfer, by the end of the calendar month following each reporting period, the revenue payable to a county pursuant to subdivisions 10-39-54(2) and (3).

An Act to modify the distributions of revenues collected from severance taxation on new permits.

I certify that the attached Act originated in the:

Received at this Executive Office this ____ day of _____,

House as Bill No. 1089

2026 at _____ M.

Chief Clerk of the House

By _____
for the Governor

Speaker of the House

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

Attest:

Chief Clerk of the House

Governor

STATE OF SOUTH DAKOTA,

ss.

Office of the Secretary of State

President of the Senate

Attest:

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

Secretary of the Senate

Secretary of State

House Bill No. 1089
File No. _____
Chapter No. _____

By _____
Asst. Secretary of State