

2020 South Dakota Legislature  
**House Bill 1099**

**AMENDMENT 1099B FOR THE INTRODUCED BILL**

1 **An Act to authorize counties to impose a temporary voter-approved half-cent sales**  
2 **and use tax and to issue revenue bonds to fund certain county infrastructure**  
3 **construction.**

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

5 **Section 1.** That a NEW SECTION be added:

6 **10-52B-1. County non-ad valorem tax--Rate--Restriction--Conformance to**  
7 **state tax.**

8 For a purpose authorized under the provisions of this chapter, the board of county  
9 commissioners may, by a resolution approved by registered voters in accordance with the  
10 provisions of this chapter, impose a temporary non-ad valorem tax at a rate not to exceed  
11 one-half percent on the sale, use, storage, and consumption in the county of the same  
12 items subject to state tax under chapters 10-45 and 10-46. A county may not have more  
13 than one tax in effect under this section, and any tax imposed under this section must  
14 conform in all respects to the state tax with the exception of the rate.

15 **Section 2.** That a NEW SECTION be added:

16 **10-52B-2. Purposes for imposition of tax--Definitions--Use of revenue.**

17 A tax may only be imposed under the provisions of this chapter for the following  
18 purpose:

19 (1) To make payment on or to establish a debt reserve fund on a new or existing bond  
20 issue that is issued for the purpose of renovating or replacing either a building or  
21 structure described in §§ 7-25-1 and 7-25-3, or a facility designed to reduce jail  
22 incarceration; or

1       (2) To contribute funds to another county for the purpose of sharing expenses for the  
2       renovation or replacement of either a building or structure described in §§ 7-25-1  
3       and 7-25-3, or a facility designed to reduce jail incarceration.

4       For purposes of this chapter, a facility designed to reduce jail incarceration means  
5       a structure that provides an appropriate venue for programs and activities designed to  
6       reduce incarceration.

7       Unless otherwise provided in this chapter, any revenue generated from a tax  
8       imposed pursuant to this chapter may only be applied to the purpose of the tax as stated  
9       in the resolution.

10      **Section 3.** That a NEW SECTION be added:

11                **10-52B-3. Content of resolution.**

12                The resolution required under this chapter must include the following content:

13                (1) A statement that the tax is levied on the sale, use, storage and consumption in the  
14                county on the same items subject to tax under chapters 10-45 and 10-46;

15                (2) The rate of the tax;

16                (3) The purpose of the tax, including a clear description of the building, structure, or  
17                facility to be renovated or replaced if the resolution is approved; and

18                (4) The maximum number of years the tax will be imposed or the latest date the tax  
19                will expire.

20      **Section 4.** That a NEW SECTION be added:

21                **10-52B-4. Procedures for approving resolution--Notification after approval--**  
22                **Effective date of resolution.**

23                The procedures for approving a resolution for the imposition of a tax under this  
24                chapter are the same as the procedures applicable when a petition to refer a resolution  
25                has been filed under § 7-18A-15. If the resolution is approved, the board of commissioners  
26                shall notify the secretary of revenue of such approval in writing by registered or certified  
27                mail and include a copy of the approved resolution with the mailing.

28                Notwithstanding §§ 7-18A-8 and 7-18A-14, the effective date of any new  
29                resolution or amendment to a resolution approved under this section, and any tax rate  
30                affected thereby, is the earlier of January first or July first after ninety days have passed  
31                from the secretary of revenue's receipt of the mailing required under this section.

32      **Section 5.** That a NEW SECTION be added:

1           **10-52B-5. Tax expiration date--Extension or renewal of tax prohibited.**

2           The expiration date for a tax imposed under this chapter is the earlier of the  
3 expiration of the term or date specified in the resolution, or the date on which the purpose  
4 of the tax is satisfied. The county shall apply any excess revenue received and remaining  
5 after the expiration of the tax to expenses of maintaining or operating, or both, the  
6 building, structure or facility that relates to the purpose of the tax.

7           No tax levied pursuant to this chapter may be extended or renewed, unless the  
8 board of county commissioners adopts a new resolution that is approved by the voters in  
9 accordance with the provisions of this chapter.

10 **Section 6.** That a NEW SECTION be added:

11           **10-52B-6. Issuance of county non-ad valorem tax revenue bonds.**

12           Each county imposing a non-ad valorem tax pursuant to this chapter may issue  
13 county non-ad valorem tax revenue bonds in anticipation of the collection of the taxes  
14 without holding a bond election pursuant to § 7-24-2. The bonds must be issued and sold  
15 as provided in chapter 6-8B.

16 **Section 7.** That a NEW SECTION be added:

17           **10-52B-7. Administration of tax--Recordkeeping.**

18           The Department of Revenue shall administer any tax imposed under this chapter.  
19 All moneys received and collected on behalf of a county by the department of revenue  
20 under this chapter shall be distributed by the department to the county after deducting  
21 the amount of refunds made, the amounts necessary to defray the cost of collecting the  
22 tax, and the administrative expenses incident thereto. The department shall pay the  
23 balance within thirty days after collection to the county entitled to the payment.

24           The department shall keep full and accurate records of all moneys received and  
25 distributed under this chapter.

26 **Section 8.** That a NEW SECTION be added:

27           **10-52B-8. Promulgation of rules.**

28           The secretary of revenue may promulgate rules, pursuant to chapter 1-26,  
29 regarding:

30           (1) Licensing procedures, including bonding and filing license applications;

31           (2) The filing of returns and the payment of the tax;

- 1 (3) The application of the tax and exemptions;
- 2 (4) Taxpayer record-keeping requirements; and
- 3 (5) Audits.