



2020 South Dakota Legislature

House Bill 1006

HOUSE TAXATION ENGROSSED

Introduced by: **Representatives** Chaffee, Lesmeister, McCleerey, and Qualm and **Senators** Cammack, Kennedy, and Lake at the request of the Agricultural Land Assessment Implementation and Oversight Advisory Task Force

1 **An Act to authorize the secretary of revenue to contract with certain entities for**
 2 **purposes of creating or maintaining a database to determine agricultural**
 3 **income value and to specify the mandatory and permissive data of the**
 4 **database.**

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

6 **Section 1.** That § 10-6-33.29 be AMENDED:

7 **10-6-33.29. Agricultural income value--Determination--Database of**
 8 **cropland data.**

9 The secretary of revenue, ~~shall enter into contracts upon notifying the Agricultural~~
 10 ~~Land Assessment Implementation and Oversight Advisory Task Force, may contract with~~
 11 ~~South Dakota State University and, if necessary, the South Dakota Agricultural Statistics~~
 12 ~~Service one or more qualified entities for the purpose of creating or maintaining a database~~
 13 ~~to determine the agricultural income value of agricultural land by county, consisting of~~
 14 ~~eight consecutive years of cropland data and noncropland data. The data for the year~~
 15 ~~representing the highest agricultural income value among the eight years and the year~~
 16 ~~representing the lowest agricultural income value among the eight years shall be discarded~~
 17 ~~from the database and the remaining six years averaged for valuation purposes. For each~~
 18 ~~assessment year, the first year of the eight-year data period shall be the year that is nine~~
 19 ~~years less than the assessment year.~~

20 The cropland data ~~may~~ must include: acres planted, acres harvested, yield per
 21 acre, and statewide crop prices. The noncropland data ~~may~~ must include: cash rents,
 22 rangeland acres, pastureland acres, rangeland AUM's per acre, pastureland AUM's per
 23 acre, grazing season data, and statewide cow and calf prices. The noncropland data may
 24 also include rangeland and pastureland animal unit months per acre, rangeland and
 25 pastureland acres, and grazing season data.

1 ~~The Agricultural Land Assessment Implementation and Oversight Advisory Task~~
2 ~~Force may recommend other cropland and noncropland data to the Legislature for~~
3 ~~subsequent use in the database. The secretary shall have such data collected for 2001,~~
4 ~~which will serve as the first year of the database, and each year thereafter. The database~~
5 ~~shall consist of the most recent eight years of data that have been collected and the two~~
6 ~~years, one year representing the highest agricultural income value and one year~~
7 ~~representing the lowest agricultural income value, shall be discarded from the database.~~
8 ~~The database for the 2010 assessment for taxes payable in 2011 shall consist of data from~~
9 ~~2001 to 2008, inclusive, and the database for each assessment year thereafter shall be~~
10 ~~adjusted accordingly. South Dakota State University~~ Any qualified entity contracting with
11 the secretary of revenue pursuant to this section shall provide the data for each county to
12 the secretary of revenue by June first of each year.

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