



2020 South Dakota Legislature

Senate Bill 178

Introduced by: **Senator Wismer**

1 **An Act to increase funding for counties and townships by increasing the excise tax**
 2 **rate on motor fuel.**

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

4 **Section 1.** That § 10-47B-4.2 be AMENDED:

5 **10-47B-4.2. Motor fuel and special fuel excise tax rate.**

6 The fuel excise tax rate for motor fuel and special fuel is ~~\$.28~~ \$.33 per gallon.

7 **Section 2.** That § 10-47B-149 be AMENDED:

8 **10-47B-149. Monthly adjustment to motor fuel tax fund balance.**

9 At the beginning of each month, the secretary shall make adjustments to the motor
 10 fuel tax fund balance in the following manner:

- 11 (1) Each July transfer an amount to the snowmobile trails' fund equal to the product of
 12 multiplying the number of licensed snowmobiles as of July first, times one hundred
 13 twenty-five gallons, times the rate of tax provided for motor fuel under this chapter;
- 14 (2) Each July transfer from the amount of motor fuel tax collected from the motor fuel
 15 used for nonhighway purposes to the value added agriculture subfund created in
 16 chapter 1-53 one hundred thirty-five thousand dollars;
- 17 (3) Each July transfer from the amount of motor fuel tax collected from the motor fuel
 18 used for nonhighway purposes to the Department of Agriculture seventy-five
 19 thousand dollars to be used for a grant to the Northern Crops Institute;
- 20 (4) Transfer to the motor fuel tax administration account two percent of the deposits
 21 made to the motor fuel tax fund during the preceding month to cover the expenses
 22 incurred in administering all motor fuel and special fuel tax laws of this state. On or
 23 about August first of each year, the preceding year's remaining motor fuel tax
 24 administration account balance, less an amount to provide cash flow within the
 25 account, shall be transferred to the state highway fund. The remaining balance is

- 1 to be calculated by subtracting from the total of monthly deposits, the amount of
2 corresponding expenses. The expense of administering the chapters relating to
3 motor and special fuel taxation shall be paid out of appropriations made by the
4 Legislature;
- 5 (5) Each July transfer from the amount of motor fuel tax collected from the motor fuel
6 used for nonhighway purposes to the coordinated natural resources conservation
7 fund five hundred thousand dollars;
- 8 (6) Each July transfer to the parks and recreation fund an amount equal to the product
9 of multiplying the number of licensed motorized boats as of the previous December
10 thirty-first, times one hundred forty gallons, times the rate of tax provided for motor
11 fuels under this chapter;
- 12 (7) Each July distribute to counties and townships as provided in § 10-47B-149.1 seven
13 hundred thousand dollars;
- 14 (8) Transfer to the member jurisdictions taxes collected under the provisions of the
15 international fuel tax agreement; ~~and~~
- 16 (9) Transfer an amount to the local bridge improvement grant fund, established under
17 § 32-11-38, equal to the product of multiplying five cents by the number of gallons
18 from which the fuel excise rate under § 10-47B-4.2 was collected during the
19 preceding month; and
- 20 (10) Transfer the remaining cash balance to the state highway fund.