

# State of South Dakota

SEVENTY-SECOND SESSION  
LEGISLATIVE ASSEMBLY, 1997

807A0101

## SENATE BILL NO. 17

Introduced by: Senator Aker and Representative Monroe

1 FOR AN ACT ENTITLED, An Act to revise the property tax levies for general funds of a  
2 school district.

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

4 Section 1. That § 10-12-42 be amended to read as follows:

5 10-12-42. For taxes payable in 1997 and each year thereafter, the levy for the general  
6 fund of a school district shall be as follows:

7 (1) The maximum tax levy shall be sixteen dollars and seventy-five cents per thousand  
8 dollars of taxable valuation subject to the limitations on agricultural property as  
9 provided in subdivision (2) of this section and owner-occupied property as provided  
10 for in subdivision (3) of this section;

11 (2) The maximum tax levy on agricultural property for such school district shall be ~~five~~  
12 ~~dollars and seventy-five cents~~ four dollars and twenty-five cents per thousand dollars  
13 of taxable valuation. If the district's levies are less than the maximum levies as stated  
14 in chapter 10-13, the levies shall maintain the same proportion to each other as  
15 represented in the mathematical relationship at the maximum levies;

1       (3)    The maximum tax levy for an owner-occupied single-family dwelling as defined in  
2            § 10-13-40, for such school district may not exceed ~~nine dollars and twenty cents~~  
3            seven dollars per thousand dollars of taxable valuation. If the district's levies are less  
4            than the maximum levies as stated in chapter 10-13, the levies shall maintain the same  
5            proportion to each other as represented in the mathematical relationship at the  
6            maximum levies.

7        All levies in this section shall be imposed on valuations where the median level of assessment  
8        represents eighty-five percent of market value as determined by the Department of Revenue.  
9        These valuations shall be used for all school funding purposes. If the district has imposed an  
10       excess levy pursuant to § 10-13-43, the levies shall maintain the same proportion to each other  
11       as represented in the mathematical relationship at the maximum levies in this section. The school  
12       district may elect to tax at less than the maximum amounts set forth in this section.

13       Section 2. That § 13-13-10.1 be amended to read as follows:

14       13-13-10.1. Terms used in this chapter mean:

15       (1)    "Average daily membership," the average number of kindergarten through twelfth  
16            grade pupils enrolled in the school district during the previous regular school year,  
17            minus average number of pupils for whom the district receives tuition, except pupils  
18            described in subdivision (1A) and plus the average number of pupils for whom the  
19            district pays tuition;

20       (1A)  Nonresident students who are in the care and custody of the Department of Social  
21            Services, the Unified Judicial System, or other state agencies and are attending a  
22            public school may be included in the average daily membership of the receiving  
23            district when enrolled in the receiving district for more than thirty school days. When  
24            counting a student who meets these criteria in its average daily membership, the  
25            receiving district may begin the enrollment on the first day of attendance. The district

of residence prior to the custodial transfer may not include students who meet these criteria in its average daily membership after the student ceases to attend school in the resident district for more than thirty school days;

(2) "Adjusted average daily membership," calculated as follows:

(a) For districts with an average daily membership of two hundred or less, multiply 1.2 times the average daily membership;

(b) For districts with an average daily membership of less than six hundred, but greater than two hundred, raise the average daily membership to the 0.8293 power and multiply the result times 2.98;

(c) For districts with an average daily membership of six hundred or more, multiply 1.0 times their average daily membership;

(3) "Index factor," is the annual percentage change in the consumer price index for urban wage earners and clerical workers as computed by the Bureau of Labor Statistics of the United States Department of Labor for the year before the year immediately preceding the year of adjustment or three percent, whichever is less;

(4) "Per student allocation," for the period January 1, 1997, to June 30, 1997, inclusive, is \$1,675. For school fiscal year 1998, beginning on July 1, 1997, the per student allocation shall be \$3,350 increased by the index factor. Each school fiscal year thereafter, the per student allocation shall be the previous fiscal year's per student allocation increased by the index factor;

(5) "Local need," the per student allocation multiplied by the adjusted average daily membership;

(6) "Local effort," the amount of ad valorem taxes generated in a school fiscal year by applying the following levies:

(a) The levy for school district purposes is sixteen dollars and seventy-five cents

1 per thousand dollars of taxable valuation subject to the limitations on  
2 agricultural property as provided in subsection (b) and owner-occupied  
3 property as provided in subsection (c);

4 (b) The tax levy on agricultural property for the school district is ~~five dollars and~~  
5 ~~seventy-five cents~~ four dollars and twenty-five cents per thousand dollars of  
6 taxable valuation;

7 (c) The tax levy for owner-occupied single-family dwelling for the school district  
8 is ~~nine dollars and twenty cents~~ seven dollars per thousand dollars of taxable  
9 valuation.

10 For the period January 1, 1997, to June 30, 1997, inclusive, local effort shall be one-half of  
11 the amount of ad valorem taxes generated in calendar year 1997 by applying the following levies:

12 (a) The levy for school district purposes is sixteen dollars and seventy-five cents per  
13 thousand dollars of taxable valuation subject to the limitations on agricultural property  
14 as provided in subsection (b) and owner-occupied property as provided in subsection  
15 (c);

16 (b) The tax levy on agricultural property for the school district is five dollars and  
17 seventy-five cents per thousand dollars of taxable valuation;

18 (c) The tax levy for owner-occupied single-family dwelling for the school district is nine  
19 dollars and twenty cents per thousand dollars of taxable valuation.

20 All levies shall be based on valuations including valuations pursuant to §§ 13-13-10.2 and  
21 13-13-20.4 such that the median level of assessment represents eighty-five percent of market  
22 value as determined by the Department of Revenue. The total amount of taxes that would be  
23 generated at the levies pursuant to this section shall be considered local effort.