

State of South Dakota

SEVENTY-THIRD SESSION LEGISLATIVE ASSEMBLY, 1998

519B0661

SENATE BILL NO. 142

Introduced by: Senators Staggers, Aker, Albers, Brown (Arnold), Flowers, Shoener, and Vitter
and Representatives Peterson (Bill), Hassard, Koetzle, Madden, Moore, Napoli,
and Windhorst

1 FOR AN ACT ENTITLED, An Act to allow any sales and uses tax paid to be deducted from
2 the gross receipts to determine the contractors' excise tax.

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

4 Section 1. That § 10-46A-4 be amended to read as follows:

5 10-46A-4. For the purpose of this chapter, the term, gross receipts, means the amount
6 received directly or indirectly in money, credits, property, or other money's worth in
7 consideration of the performance of realty improvement contracts within this state, without any
8 deduction on account of the cost of the property sold, the cost of materials used, the cost of
9 services or labor purchased, amounts paid for interest or discounts, or any other expenses
10 ~~whatsoever, nor may any,~~ except a deduction shall be made for any sales or use taxes paid
11 pursuant to chapters 10-45 and 10-46. No deduction may be allowed for any losses. Gross
12 receipts include those materials furnished to the prime contractor or subcontractor by the owner
13 or the lessee of the realty improvement. For the purposes of measuring the tax imposed by this
14 chapter, gross receipts include the greater of the cost or fair market value of materials used by
15 a contractor or subcontractor in the performance of a contract regardless ~~of whether~~ if the

1 contractor or subcontractor owns or furnishes the materials.

2 Section 2. That § 10-46B-4 be amended to read as follows:

3 10-46B-4. For the purpose of this chapter, the term, gross receipts, means the amount
4 received in money, credits, property, or other money's worth in consideration of the performance
5 of realty improvement contracts within this state, without any deduction on account of the cost
6 of the property sold, the cost of materials used, the cost of services or labor purchased, amounts
7 paid for interest or discounts, or any other expenses ~~whatsoever, nor shall any, except a~~
8 deduction shall be made for any sales or use taxes paid pursuant to chapters 10-45 and 10-46.
9 No deduction may be allowed for any losses.