

# State of South Dakota

SEVENTY-SEVENTH SESSION  
LEGISLATIVE ASSEMBLY, 2002

514H0504

## SENATE BILL NO. 149

Introduced by: Senators Everist, Brosz, Cradduck, Hutmacher, Koetzle, McIntyre, Moore, Olson (Ed), and Sutton (Dan) and Representatives Peterson (Bill), Murschel, and Olson (Mel)

1 FOR AN ACT ENTITLED, An Act to allow a school district to impose additional taxes.

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

3 Section 1. That chapter 10-12 be amended by adding thereto a NEW SECTION to read as  
4 follows:

5 Notwithstanding the provisions of §§ 10-12-42 to 10-12-44, inclusive, the governing body  
6 of a school district may raise additional revenue from taxes on real property, for general fund  
7 purposes only, through imposition of a cumulative new construction property tax levy. The  
8 cumulative new construction property tax levy is calculated as follows:

9 (1) The county auditor shall maintain an account of the increase in assessed value  
10 resulting from a change in use that occurs, or improvements to real property that are  
11 completed during the year. The account shall identify the change in use and  
12 improvements in accordance with the categories described in § 10-12-42.1;

13 (2) If the school district's general fund balance percentage calculated pursuant to  
14 subdivision 13-13-10.1(8) is greater than twenty percent, the value of subdivision (2)



1 is zero (0); otherwise, multiply the value of each category of the new construction  
2 account times the maximum tax levies authorized by § 10-12-42.1 for the upcoming  
3 tax year;

4 (3) Multiply the school district's average daily membership for the most recently  
5 completed school fiscal year calculated pursuant to subdivision 13-13-10.1(1) times  
6 the per student allocation for the current school fiscal year prescribed in subdivision  
7 13-13-10.1(4);

8 (4) Multiply the product of subdivision (3) times 0.04;

9 (5) Take the lesser of subdivision (2) or subdivision (4);

10 (6) Add the result of subdivision (5) to the cumulative new construction tax levied for the  
11 previous year.

12 Section 2. That chapter 10-12 be amended by adding thereto a NEW SECTION to read as  
13 follows:

14 The amount calculated in section 1 of this Act is the maximum amount of additional revenue  
15 that may be raised by a school district through imposition of the cumulative new construction  
16 tax levy. The cumulative new construction tax levy shall be assessed on all real property in the  
17 school district, in accordance with the categories and in the same proportion to each other as  
18 represented by the mathematical relationship of the maximum levies authorized in § 10-12-42.1,  
19 and shall be assessed as otherwise provided by law. The additional revenue authorized by this  
20 Act is not included in the definition of local effort in subdivision 13-13-10.1(6) and is not subject  
21 to the procedural or referendum provision of § 10-12-42.