

2025 South Dakota Legislature

House Bill 1037**AMENDMENT 1037E
FOR THE HOUSE APPROPRIATIONS ENGROSSED BILL**

1 **An Act to amend suspend the tax collection allowance credit for filing returns and**
2 **remitting taxes electronically.**

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

4 **~~Section 1. That § 10-45-27.2 be REPEALED.~~**

5 ~~Any person required to file a return and remit the tax imposed by chapter 10-45, who holds~~
6 ~~a license issued pursuant to chapter 10-45, who timely files the return due, and who timely~~
7 ~~remits the tax due, is allowed, as compensation for the expense of collecting and paying the~~
8 ~~tax, a credit equal to one and one-half percent of the gross amount of the tax due. However,~~
9 ~~the credit may not exceed seventy dollars per return period.~~

10 ~~If a person is required to file a return and to remit tax more than once within a thirty-day~~
11 ~~period, the collection allowance credit may not exceed seventy dollars for all returns filed and~~
12 ~~all remittances made within the thirty-day period.~~

13 ~~The collection allowance credit authorized by this section only applies to taxes reported on~~
14 ~~the sales and use tax return, including the taxes imposed by chapters 10-45, 10-45D, 10-46,~~
15 ~~10-46E, 10-52, 10-52A, 10-58, and 10-33A, and §§ 32-5B-20 and 10-62-2.~~

16 ~~The collection allowance credit authorized by this section shall be granted for any return to~~
17 ~~be filed and for any tax to be remitted after January 1, 2014.~~

18 ~~The collection allowance credit authorized by this section shall only be granted to a person~~
19 ~~who timely files the return due by electronic means and who timely remits the tax due by~~
20 ~~electronic means.~~

21 ~~For any tax collected by the department on behalf of another entity, upon which the collection~~
22 ~~allowance credit is calculated, the entities shall negotiate in good faith to share in the payment~~

1 ~~of the collection allowance credit. The department may implement such allocation of collection~~
2 ~~allowance credit directly or through the adjustment of any administrative fee charged~~
3 ~~pursuant to § 10-59-52.~~

4 ~~No person that has selected a certified service provider as its agent as set forth in § 10-45C-~~
5 ~~1 is entitled to the collection allowance credit authorized by this section if the certified service~~
6 ~~provider receives a monetary allowance as provided by the Streamlined Sales and Use Tax~~
7 ~~Agreement authorized by chapter 10-45C for performing the retailer's sales and use tax~~
8 ~~functions in this state.~~

9 ~~No collection allowance credit authorized by this section may be granted to any person who~~
10 ~~has outstanding tax returns due to the department or who has outstanding tax remittances~~
11 ~~due to the department.~~

12 ~~**Section 2.** Section 1 of this Act expires on July 1, 2028.~~

13 ~~**Section 1.** Effective July 1, 2025, until June 30, 2028, § 10-45-27.2 is suspended and~~
14 ~~nonenforceable.~~