



## 2025 South Dakota Legislature

# House Bill 1199

Introduced by: **Representative Jensen (Phil)**

1 **An Act to repeal a provision requiring the sale of property acquired by a tax deed.**

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

3 **Section 1. That § 10-25-39.2 be REPEALED.**

4           — Any person, except a county, acquiring real property by a tax deed after being  
5 issued a tax certificate shall offer the property at public auction in accordance with the  
6 provisions of chapter 6-13 and § 10-25-39.1. The auction must occur within one year of  
7 the issuance of the tax deed. Following the sale, the seller of the property is entitled to  
8 compensation in the same manner as redemption of a tax certificate pursuant to § 10-24-  
9 1. The proceeds of the sale must be distributed in accordance with § 10-25-39.

10 **Section 2. That § 10-25-12 be AMENDED:**

11           **10-25-12.** Any deed acquired pursuant to § 10-25-39.1 ~~or 10-25-39.2~~ vests in  
12 the grantee an absolute estate in fee simple in the real property. ~~However, the~~ The real  
13 property is subject to any claim that the state may have in the real property for taxes,  
14 liens, or encumbrances. The real property is also subject to any lien for past-due  
15 installments of special assessments for the financing of municipal improvements levied  
16 pursuant to chapter 9-43, including principal and interest on the installments except as  
17 provided by § 9-43-100. The holder of the deed or the holder's successor in interest is  
18 entitled to immediate exclusive possession of the real property described in the deed  
19 regardless of the rights of any person to redeem or question exclusive possession  
20 thereafter.