

AN ACT

ENTITLED, An Act to revise certain provisions regarding the exemption of certain boats from the excise tax on large boats.

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

Section 1. That § 32-3A-52 be amended to read:

32-3A-52. Exempt from the provisions of § 32-3A-50 are:

- (1) Any large boat which is the property of the governmental units which are exempted from motor vehicle registration fees by §§ 32-5-42 and 32-5-42.1;
- (2) Any large boat acquired by inheritance or bequest;
- (3) Any large boat previously titled or licensed jointly in the names of two or more persons and subsequently transferred without consideration to one or more of such persons;
- (4) Any large boat transferred without consideration between spouses, between a parent and child, and between siblings;
- (5) Any large boat transferred pursuant to any mergers or consolidations of corporations or limited liability companies, or plans of reorganization by which substantially all of the assets of a corporation or limited liability company are transferred if the large boat was previously titled, licensed, and registered in this state;
- (6) Any large boat transferred by a subsidiary corporation or limited liability company to its parent corporation or limited liability company for no or nominal consideration or in sole consideration of the cancellation or surrender of the subsidiary's stock if the large boat was previously titled, licensed, and registered in this state;
- (7) Any large boat transferred between an individual and a corporation if the individual and the owner of the majority of the capital stock of the corporation are one and the same, or any large boat transferred between an individual and a limited liability company if the

individual and the majority member of the limited liability company are one and the same, and if the large boat was previously titled and registered in this state;

- (8) Any large boat transferred between a corporation or limited liability company and its stockholders, members, or creditors if to effectuate a dissolution of the corporation or limited liability company it is necessary to transfer the title from the corporate entity or limited liability company to the stockholders, members, or creditors and if the large boat was previously titled and registered in this state;
- (9) Any large boat transferred between an individual and limited or general partnership if the individual and the owner of the majority interest in the partnership are one and the same person and if the large boat was previously titled and registered in this state;
- (10) Any large boat transferred to effect a sale of all or substantially all of the assets of the business entity if the large boat was previously titled and registered in this state;
- (11) Any large boat acquired by a secured party or lien holder in satisfaction of a debt;
- (12) Any large boat sold or transferred which is eleven or more years old and which is sold or transferred for two thousand five hundred dollars or less before trade-in;
- (13) Any damaged large boat transferred to an insurance company in the settlement of an insurance claim;
- (14) Any large boat owned by a former resident of this state who returns to the state and who had previously paid excise tax to this state on the large boat as evidenced within the department's records or by submission of other acceptable proof of payment of such tax;
- (15) Any large boat transferred between corporations, both subsidiary and nonsubsidiary, if the individuals who hold a majority of stock in the first corporation also hold a majority of stock in the second corporation; but these individuals need not hold the same ratio of stock in both corporations and if the large boat was previously titled and registered in this

state;

- (16) Any large boat transferred between limited liability companies, both subsidiary and nonsubsidiary, if the individuals who hold a majority interest in the first limited liability company also hold a majority interest in the second limited liability company and if the large boat was previously titled, licensed, and registered in this state; and
- (17) Any large boat transferred by a trustor to a trustee or from a trustee to a beneficiary of a trust.

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I certify that the attached Act originated in the

HOUSE as Bill No. 1179

Chief Clerk

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Speaker of the House

Attest:

Chief Clerk

President of the Senate

Attest:

Secretary of the Senate

House Bill No. 1179
File No. _____
Chapter No. _____

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Received at this Executive Office this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby approved this _____ day of _____ , A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____ , 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State