

State of South Dakota

NINETY-FOURTH SESSION
LEGISLATIVE ASSEMBLY, 2019

444B0051

SENATE BILL NO. 4

Introduced by: Senators Cammack and Kennedy and Representative McCleerey at the request of the Agricultural Land Assessment Implementation and Oversight Advisory Task Force

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding the classification of
2 agricultural land for property tax purposes.

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

4 Section 1. That § 10-6-33.7 be amended to read:

5 10-6-33.7. Agricultural land in each county shall be divided into the eight classes defined
6 by the United States Department of Agriculture's soil conservation service as published in its
7 soil survey for each county. ~~The county director of equalization shall, based on the agricultural~~
8 ~~lands soil survey classification, determine a value for each soil type.~~ South Dakota State
9 University shall provide each county with data and information for soil classification.

10 Section 2. That § 10-6-33.30 be repealed.

11 ~~10-6-33.30. The economics department of South Dakota State University shall submit~~
12 ~~recommendations to the Agricultural Land Assessment Implementation and Oversight Advisory~~
13 ~~Task Force by November 1, 2008, regarding factors to use for the percentage of annual earning~~
14 ~~capacity to be used to determine the agricultural income value of the land pursuant to § 10-6-~~



1 ~~33.28 and other provisions used to assess agricultural land that will provide the least amount of~~
2 ~~shift between cropland and noncropland on a statewide basis. Thereafter, the economics~~
3 ~~department shall submit such recommendations, if any, to the task force by September first of~~
4 ~~each year.~~

5 Section 3. That § 10-6-33.2 be repealed.

6 ~~—10-6-33.2. The capacity of agricultural land to produce agricultural products shall be based~~
7 ~~on average yields under natural conditions for land producing crops or plants and on the average~~
8 ~~acres per animal unit for grazing land. The average shall affect each operating unit and shall be~~
9 ~~based on the ten-year period immediately preceding the tax year in issue. In determining the~~
10 ~~capacity to produce, the county director of equalization and the county board of equalization~~
11 ~~shall consider yields, the extent to which the land is able to be tilled or is nontillable based upon~~
12 ~~soil type, terrain, topographical, and surface conditions, and animal unit carrying capacity, as~~
13 ~~determined by the natural resources conservation service, farm credit services of America, farm~~
14 ~~service agency, the extension service, and private lending agencies dealing with land production~~
15 ~~capacities.~~

16 Section 4. That § 10-6-33.32 be repealed.

17 ~~—10-6-33.32. Agricultural land shall be divided by the director of equalization into categories,~~
18 ~~including cropland and noncropland. Each category shall be divided into classes based on soil~~
19 ~~classification standards developed by the United States Department of Agriculture Natural~~
20 ~~Resources Conservation Service.~~

21 Section 5. That § 10-6-33.37 be repealed.

22 ~~—10-6-33.37. Notwithstanding the provisions of §§ 10-6-33.28 to 10-6-33.33, inclusive, the~~
23 ~~director of equalization may equalize the assessed valuation of all cropland if the total assessed~~
24 ~~valuation of all cropland and total assessed valuation of all noncropland is equal to the total~~

1 assessed valuation of agricultural land as determined by the application of the provisions of this
2 chapter. Notwithstanding the provisions of §§ 10-6-33.28 to 10-6-33.33, inclusive, the director
3 of equalization may equalize the assessed valuation of all noncropland if the total assessed
4 valuation of all cropland and total assessed valuation of all noncropland is equal to the total
5 assessed valuation of agricultural land as determined by the application of the provisions of this
6 chapter.

7 Section 6. That § 10-6-77 be repealed.

8 ~~10-6-77. For the taxes payable in 2014, 2015, 2016, 2017, 2018, and 2019, the total taxable~~
9 ~~value of cropland within any county may not increase or decrease more than:~~

10 ~~(1) Fifteen percent in any year, if the county is less than thirty percent from its full~~
11 ~~agricultural income value;~~

12 ~~(2) Twenty percent in any year, if the county is thirty percent or more but less than fifty~~
13 ~~percent from its full agricultural income value; and~~

14 ~~(3) Twenty-five percent in any year, if the county is fifty percent or more from its full~~
15 ~~agricultural income value.~~

16 ~~For the taxes payable in 2014, 2015, 2016, 2017, 2018, and 2019, the total taxable value of~~
17 ~~noncropland within any county may not increase or decrease more than:~~

18 ~~(1) Fifteen percent in any year, if the county is less than thirty percent from its full~~
19 ~~agricultural income value;~~

20 ~~(2) Twenty percent in any year, if the county is thirty percent or more but less than fifty~~
21 ~~percent from its full agricultural income value; and~~

22 ~~(3) Twenty-five percent in any year, if the county is fifty percent or more from its full~~
23 ~~agricultural income value.~~