



2020 South Dakota Legislature  
**House Bill 1020**  
**ENROLLED**

AN ACT

**ENTITLED An Act to revise certain provisions regarding the use of exemption certificates.**

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

**Section 1.** That § 10-45-61.1 be AMENDED:

**10-45-61.1. Exemption certificate--Timing--Alternative Information.**

Notwithstanding the provisions of §§ 10-45-61, 10-59-3, and 10-59-7, if the seller has not obtained an exemption certificate or all relevant data elements for an exemption certificate, the seller may, within one hundred twenty days subsequent to a request for substantiation by the Department of Revenue, do either of the following:

- (1) Obtain a fully completed exemption certificate from the purchaser, taken in good faith which means that the seller obtained a certificate that claims an exemption that:
  - (a) Was statutorily available on the date of the transaction in the jurisdiction where the transaction is sourced;
  - (b) May be applicable to the item being purchased; and
  - (c) Is reasonable for the purchaser's type of business; or
- (2) Obtain other information establishing that the transaction was not subject to the tax.

Any exemption certificate presented after one hundred twenty days need not be considered by the department.

An Act to revise certain provisions regarding the use of exemption certificates.

I certify that the attached Act originated in the:  
House as Bill No. 1020

Received at this Executive Office this \_\_\_\_ day of \_\_\_\_\_, 2020 at \_\_\_\_\_ M.

\_\_\_\_\_  
Chief Clerk

By \_\_\_\_\_ for the Governor

\_\_\_\_\_  
Speaker of the House

The attached Act is hereby approved this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 2020

Attest:

\_\_\_\_\_  
Chief Clerk

\_\_\_\_\_  
Governor

**STATE OF SOUTH DAKOTA,**

ss.

Office of the Secretary of State

\_\_\_\_\_  
President of the Senate

Attest:

Filed \_\_\_\_\_, 2020 at \_\_\_\_\_ o'clock \_\_ M.

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Secretary of State

House Bill No. 1020  
File No. \_\_\_\_\_  
Chapter No. \_\_\_\_\_

By \_\_\_\_\_  
Asst. Secretary of State