

State of South Dakota

SEVENTY-SEVENTH SESSION
LEGISLATIVE ASSEMBLY, 2002

400H0721

SENATE STATE AFFAIRS COMMITTEE ENGROSSED

NO. **SB 182** - 02/01/2002

Introduced by: The Committee on State Affairs at the request of the Governor

1 FOR AN ACT ENTITLED, An Act to revise the procedures for opting out of the property tax
2 freeze.

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

4 Section 1. That § 10-12-43 be amended to read as follows:

5 10-12-43. The governing body of the school district may raise additional revenues for general
6 fund purposes only, from property tax through the imposition of an excess tax levy. The
7 governing body of a school district may impose the excess tax levy with an affirmative two-thirds
8 vote of the governing body on or before July fifteenth of the year prior to the year the taxes are
9 payable. The governing body of the taxing district shall specify in the resolution the year or
10 number of years the excess tax levy will be applied. No excess levy may be imposed for a period
11 longer than five years unless the governing body again complies with the provisions of § 10-12-
12 43.

13 The requirements for an announcement made pursuant to this section are as follows:

14 (1) The decision of the governing body to originally impose or subsequently increase an
15 excess tax levy shall be first published within ten days of the decision;



1 (2) Publication shall be made at least twice in the legal newspaper pursuant
2 to § 13-8-10, with no fewer than five days between publication dates, before the opt
3 out takes effect;

4 (3) The announcement shall be at least one-fourth of a page in size;

5 (4) The announcement shall be headed with the following statement in capital letters and
6 in a typeface no less than one-half inch or thirty-six point type: "ATTENTION
7 TAXPAYERS: NOTICE OF PROPERTY TAX INCREASE OF \$(fill in amount)."

8 The remainder of the announcement shall consist of a reproduction of the "Resolution
9 for Opt Out," including the amount that property taxes will be increased annually by
10 the proposed opt out and a statement of the right to refer the decision of the board
11 to a vote of the people as provided in this section. The secretary of revenue, in rules
12 promulgated pursuant to chapter 1-26, shall prescribe a uniform form to be used by
13 the school district for notification of taxpayers as required by this section.

14 The opt out decision may be referred to a vote of the people upon a petition signed by at
15 least five percent of the registered voters in the school district and filed with the governing body
16 within twenty days of the first publication of the decision. The referendum election shall be held
17 on or before October first of the year prior to the time the taxes are payable.

18 The governing body of the school district may rescind an opt out decision by a majority vote
19 of the governing body of the school district.

20 The amount originally imposed or subsequently increased by the school district may be
21 rescinded by the taxpayers if a vote is initiated. The petition to initiate to rescind the opt out shall
22 be signed by at least five percent of the registered voters in the school district and filed with the
23 governing body no later than July fifteenth in the year prior to the year the taxes are payable. The
24 election shall be held on or before October first preceding the year the taxes are payable. The

1 excess levy is rescinded if approved by an affirmative vote of a majority of the votes cast in the
2 taxing district.

3 Any petition filed January first or after does not affect taxes payable that year.

4 Section 2. That § 10-13-36 be amended to read as follows:

5 10-13-36. The governing body of a taxing district may exceed the limit pursuant to
6 § 10-13-35 through the imposition of an excess tax levy. The governing body of a taxing district
7 may impose an excess tax levy with an affirmative two-thirds vote of the governing body on or
8 before July fifteenth of the year prior to the year the taxes are payable. The governing body of
9 the taxing district shall specify in the resolution the year or number of years the excess tax levy
10 will be applied. No excess levy may be imposed for a period longer than five years unless the
11 governing body again complies with the provisions of § 10-13-36.

12 The requirements for an announcement made pursuant to this section are as follows:

13 (1) The decision of the governing body to originally impose or subsequently increase an
14 excess tax levy shall be published within ten days of the decision;

15 (2) Publication shall be made at least twice in the legal newspaper designated by the
16 governing body pursuant to law, with no fewer than five days between publication
17 dates, before the opt out takes effect;

18 (3) The announcement shall be at least one-fourth of a page in size;

19 (4) The announcement shall be headed with the following statement in capital letters and
20 in a typeface no less than one-half inch or thirty-six point type: "ATTENTION
21 TAXPAYERS: NOTICE OF PROPERTY TAX INCREASE OF \$(fill in amount)."

22 The remainder of the announcement shall consist of a reproduction of the "Resolution
23 for Opt Out," including the amount that property taxes will be increased annually by
24 the proposed opt out and a statement of the right to refer the decision of the board

1 to a vote of the people as provided in this section. The secretary of revenue, in rules
2 promulgated pursuant to chapter 1-26, shall prescribe a uniform form to be used by
3 the taxing district for notification of taxpayers as required by this section.

4 The opt out decision may be referred to a vote of the people upon a petition signed by at
5 least five percent of the registered voters in the taxing district and filed with the respective
6 governing body within twenty days of the first publication of the decision. The referendum
7 election shall be held on or before October first preceding the year the taxes are payable. The
8 taxing districts may not exceed the levy limits provided in chapter 10-12 except for the
9 provisions in § 10-12-36.

10 The governing body of the taxing district may rescind an opt out decision by a majority vote
11 of the governing body of the taxing district.

12 The amount originally imposed or subsequently increased by the taxing district may be
13 rescinded by the taxpayers if a vote is initiated. The petition to initiate to rescind the opt out shall
14 be signed by at least five percent of the registered voters in the taxing district and filed with the
15 governing body no later than July fifteenth in the year prior to the year the taxes are payable. The
16 election shall be held on or before October first preceding the year the taxes are payable. The
17 excess levy is rescinded if approved by an affirmative vote of a majority of the votes cast in the
18 taxing district.

19 Any petition filed January first or after does not affect taxes payable that year.