

State of South Dakota

SEVENTY-SEVENTH SESSION
LEGISLATIVE ASSEMBLY, 2002

400H0721

CONFERENCE COMMITTEE ENGROSSED NO. **SB** **182** - 02/23/2002

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. On any excess tax levy approved after July 1, 2002, the governing body of the taxing
10 district shall specify in the resolution the year or number of years the excess tax levy will be
11 applied.

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 first published within ten days of the decision;



1 (2) Publication shall be made at least twice in the legal newspaper designated 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 three newspaper columns in width and four inches
5 in length or at least one-sixth of a page in size, whichever size is greater;

6 (4) The announcement shall be headed with the following statement in a typeface no less
7 than eighteen point type: "ATTENTION TAXPAYERS: NOTICE OF PROPERTY
8 TAX INCREASE OF \$(fill in amount)." The remainder of the announcement shall
9 consist of a reproduction of the "Resolution for Opt Out," including the amount that
10 property taxes will be increased annually by the proposed opt out and a statement of
11 the right to refer the decision of the board to a vote of the people as provided in this
12 section. The secretary of revenue, in rules promulgated pursuant to chapter 1-26, shall
13 prescribe a uniform form to be used by the school district for notification of taxpayers
14 as required by this section.

15 However, the requirements of subdivisions (3) and (4) shall be waived if:

16 (A) The opt out is for less than fifteen thousand dollars; or

17 (B) A copy of the resolution for opt out is mailed to every property taxpayer in the local
18 governmental unit, by first class mail or bulk mail, within twenty days of the decision
19 to opt out; and

20 (C) A copy of the resolution for opt out is printed in each official newspaper in the local
21 governmental unit's boundaries.

22 For the purposes of subsections (A), (B), and (C), the first publication is not deemed to have
23 occurred until three days after the mailing is sent or the resolution is delivered to the official
24 newspaper.

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

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

6 10-13-36. The governing body of a taxing district may exceed the limit pursuant to
7 § 10-13-35 through the imposition of an excess tax levy. The governing body of a taxing district
8 may impose an excess tax levy with an affirmative two-thirds vote of the governing body on or
9 before July fifteenth of the year prior to the year the taxes are payable. On any excess tax levy
10 approved after July 1, 2002, the governing body of the taxing district shall specify in the
11 resolution the year or number of years the excess tax levy will be applied.

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 three newspaper columns in width and four inches
19 in length or at least one-sixth of a page in size, whichever size is greater;
- 20 (4) The announcement shall be headed with the following statement in a typeface no less
21 than eighteen point type: "ATTENTION TAXPAYERS: NOTICE OF PROPERTY
22 TAX INCREASE OF \$(fill in amount)." The remainder of the announcement shall
23 consist of a reproduction of the "Resolution for Opt Out," including the amount that
24 property taxes will be increased annually by the proposed opt out and a statement of

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

5 However, the requirements of subdivisions (3) and (4) shall be waived if:

6 (A) The opt out is for less than fifteen thousand dollars; or

7 (B) A copy of the resolution for opt out is mailed to every property taxpayer in the local
8 governmental unit, by first class mail or bulk mail, within twenty days of the decision
9 to opt out; and

10 (C) A copy of the resolution for opt out is printed in each official newspaper in the local
11 governmental unit's boundaries.

12 For the purposes of subsections (A), (B), and (C), the first publication is not deemed to have
13 occurred until three days after the mailing is sent or the resolution is delivered to the official
14 newspaper.

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