

State of South Dakota

NINETY-FIRST SESSION
LEGISLATIVE ASSEMBLY, 2016

861X0044

HOUSE BILL NO. _____

44

Introduced by: _____

1 FOR AN ACT ENTITLED, An Act to provide for the assessment of certain agricultural land
2 as noncropland.

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

4 Section 1. That chapter 10-6 be amended by adding thereto a NEW SECTION to read as
5 follows:

6 Notwithstanding the provisions § 10-6-33.32, any agricultural land that has been seeded to
7 grass for at least forty years and is used for animal grazing or left unharvested, or is a native
8 grassland, shall be categorized as noncropland for the purposes of determining the agricultural
9 income value of the land pursuant to §§ 10-6-33.28 to 10-6-33.33, inclusive. If the land meets
10 this criteria and has not been categorized as noncropland, the owner may request the director
11 of equalization before August first to specifically categorize the land as noncropland. If the
12 director of equalization determines that the land meets the criteria provided by this section, the
13 director of equalization shall assess the land as noncropland for the following assessment of
14 property on November first. An aggrieved person may appeal the decision of the director
15 pursuant to chapter 1-26D. The director shall act upon the owner's request within thirty days of
16 the date of the request.



1 Section 2. That chapter 10-6 be amended by adding thereto a NEW SECTION to read as
2 follows:

3 Any person who has land categorized as noncropland pursuant to section 1 of this Act and
4 changes the use of the land to cropland or another use shall notify the director of equalization
5 by August first. Any person who has land categorized as noncropland for assessment purposes
6 by knowingly misrepresenting the facts as to the use of the land shall be assessed a penalty equal
7 to ten dollars per thousand dollars of taxable valuation on the land per year, which assessment
8 shall become a perpetual lien on the property pursuant to § 10-21-33. When assessing the
9 penalty imposed by this section, the land's taxable valuation shall be based on its cropland value.

State of South Dakota

NINETY-FIRST SESSION
LEGISLATIVE ASSEMBLY, 2016

483X0032

SENATE BILL NO. # 32

Introduced by: _____

1 FOR AN ACT ENTITLED, An Act to revise the income criteria for determining if property is
2 classified as agricultural land for property tax purposes.

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

4 Section 1. That § 10-6-31.3 be amended to read as follows:

5 10-6-31.3. For tax purposes, land is agricultural land if it meets two of the following three
6 criteria:

7 (1) ~~At least thirty-three and one-third percent of the total family gross income of the~~
8 ~~owner is derived~~ In three of the previous five years, the operator derived a gross
9 income from the pursuit of agriculture as defined in subdivision (2) of this section
10 ~~or it is a state-owned public shooting area or a state-owned game production area as~~
11 ~~identified in § 41-4-8 and it is owned and managed by the Department of Game, Fish~~
12 ~~and Parks~~ that is at least five percent of the taxable valuation of the bare land
13 assessed as agricultural property, excluding any improvements. If there is a crop
14 share arrangement, the gross income of both the landlord and tenant shall be
15 combined and used to meet this criteria;

16 (2) Its principal use is devoted to the raising and harvesting of crops or timber or fruit



1 trees, the rearing, feeding, and management of farm livestock, poultry, fish, or
2 nursery stock, the production of bees and apiary products, or horticulture, all for
3 intended profit pursuant to subdivision (1) of this section. Agricultural real estate also
4 includes woodland, wasteland, and pasture land, but only if the land is held and
5 operated in conjunction with agricultural real estate as defined and it is under the
6 same ownership; or

7 (3) It consists of not less than twenty acres of unplatted land or is a part of a contiguous
8 ownership of not less than eighty acres of unplatted land. The same acreage
9 specifications apply to platted land, excluding land platted as a subdivision, which
10 is in an unincorporated area. However, the board of county commissioners may
11 increase the minimum acre requirement up to one hundred sixty acres.

12 Section 2. That chapter 10-6 be amended by adding thereto a NEW SECTION to read as
13 follows:

14 Notwithstanding the provisions of § 10-6-31.3, any state-owned public shooting area or a
15 state-owned game production area as identified pursuant to § 41-4-8 that is owned and managed
16 by the Department of Game, Fish and Parks shall be assessed and taxed as agricultural land.

State of South Dakota

NINETY-FIRST SESSION
LEGISLATIVE ASSEMBLY, 2016

573X0043

HOUSE BILL NO. #43

Introduced by: _____

1 FOR AN ACT ENTITLED, An Act to revise the criteria for determining if property is
2 agricultural land for property tax purposes.

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

4 Section 1. That § 10-6-31.3 be amended to read as follows:

5 10-6-31.3. For tax purposes, land is agricultural land if it ~~meets two of the following three~~
6 ~~criteria:~~

7 ~~—(1)— At least thirty-three and one-third percent of the total family gross income of the~~
8 ~~owner is derived from the pursuit of agriculture as defined in subdivision (2) of this~~
9 ~~section or it is a state-owned public shooting area or a state-owned game production~~
10 ~~area as identified in § 41-4-8 and it is owned and managed by the Department of~~
11 ~~Game, Fish and Parks;~~

12 ~~—(2)— Its its principal use is devoted to the raising and harvesting of crops or timber or fruit~~
13 ~~trees; the rearing, and feeding, and management of farm livestock, poultry, fish, or~~
14 ~~nursery stock; the production of bees and apiary products; or the production of~~
15 ~~horticulture, all for intended the primary purpose of obtaining a monetary profit~~
16 ~~pursuant to subdivision (1) of this section. Agricultural real estate also includes land~~



1 may also include woodland, wasteland, and pasture land, but only if the land is held
2 and operated in conjunction with agricultural ~~real-estate~~ land as defined in this
3 section and it is under ~~the same~~ common ownership;. The land shall also meet one
4 of the following criteria:

5 (1) At least one-third of the total gross income of the owner is normally derived from one
6 or more of the principal uses listed in this section. Furthermore, at least two thousand
7 five hundred dollars of gross income is annually derived from such principal use on
8 the land. The board of county commissioners may allow an exception to the annual
9 income requirement for a production failure, marketing delay for an economic
10 advantage, or planting a crop that will not yield an income in the assessment year; or

11 ~~(3)~~(2) It consists of not less than twenty acres of ~~unplatted~~ land or is a part of a contiguous
12 ownership management unit of not less than eighty acres of ~~unplatted~~ land. ~~The same~~
13 ~~acreage specifications apply to platted land, excluding land platted as a subdivision,~~
14 ~~which is in an unincorporated area.~~ However, the board of county commissioners
15 may increase the minimum acre requirement up to one hundred sixty acres. No land
16 platted as a subdivision which creates three or more lots and is recorded with a
17 subdivision name may qualify as agricultural land.

18 For the purposes of this section, the term, management unit, means any parcels of land,
19 whether adjoining or not, under common ownership located within this state and managed and
20 operated as a unit for one or more of the principal uses listed in this section. No parcel of land
21 less than twenty acres within a management unit may be more than twenty air miles from the
22 nearest other parcel within the management unit. If requested by the director of equalization, the
23 owner shall provide supporting documentation of the land contained in the management unit.

24 For the purposes of this section, the term, principal use, means the primary use to which the

1 land is devoted. This definition is intended to reference the primary and predominant use of the
2 land as opposed to a mere secondary and incidental use. Land is not agricultural land if its
3 principal use is devoted to a residential, commercial, industrial, or recreational use.

4 Section 2. That chapter 10-6 be amended by adding thereto a NEW SECTION to read as
5 follows:

6 Notwithstanding the provisions of § 10-6-31.3, any state-owned public shooting area or a
7 state-owned game production area as identified pursuant to § 41-4-8 that is owned and managed
8 by the Department of Game, Fish and Parks shall be assessed and taxed as agricultural land.

9 Section 3. That chapter 10-6 be amended by adding thereto a NEW SECTION to read as
10 follows:

11 A parcel of land that is less than twenty acres or the minimum acreage requirement
12 established by the board of county commissioners may qualify for the agricultural land
13 classification pursuant to § 10-6-31.3 if the owner applies to the director of equalization
14 requesting classification of the parcel as agricultural land and the land meets the following
15 additional criteria:

16 (1) The land is being used consistent with its size, location, and capability and its
17 principal use is for the raising and marketing of agricultural products as required by
18 § 10-6-31.3;

19 (2) The land is not devoted to a residential, commercial, industrial, or recreational use;
20 and

21 (3) At least two thousand five hundred dollars of gross income is annually derived from
22 one or more principal uses listed in § 10-6-31.3 on the land. The board of county
23 commissioners may allow an exception to the annual income requirement for a
24 production failure, marketing delay for an economic advantage, or planting a crop

1 that will not yield an income in the assessment year,.

2 The application or request shall contain an oath verifying the validity of the information

3 contained in the application or request.

State of South Dakota

NINETY-FIRST SESSION
LEGISLATIVE ASSEMBLY, 2016

951X0112

SENATE BILL NO. #112

Introduced by: _____

1 FOR AN ACT ENTITLED, An Act to revise the criteria for determining if property shall be
2 classified as agricultural land for property tax purposes.

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

4 Section 1. That § 10-6-31.3 be amended to read as follows:

5 10-6-31.3. For tax purposes, land is agricultural land if it ~~meets two of the following three~~
6 ~~criteria:~~

7 ~~—(1)— At least thirty-three and one-third percent of the total family gross income of the~~
8 ~~owner is derived from the pursuit of agriculture as defined in subdivision (2) of this~~
9 ~~section or it is a state-owned public shooting area or a state-owned game production~~
10 ~~area as identified in § 41-4-8 and it is owned and managed by the Department of~~
11 ~~Game, Fish and Parks;~~

12 ~~—(2)— Its its principal use is devoted to the raising and harvesting of crops or timber or fruit~~
13 ~~trees; the rearing, and feeding, and management of farm livestock, poultry, fish, or~~
14 ~~nursery stock; the production of bees and apiary products; or the production of~~
15 ~~horticulture, all for intended the primary purpose of obtaining a monetary profit~~
16 ~~pursuant to subdivision (1) of this section. Agricultural real estate land also includes~~



1 woodland, wasteland, and pasture land, but only if the land is held and operated in
2 conjunction with agricultural real-estate land as defined and it the land is under the
3 same common ownership;

4 ~~(3) It consists of~~ The agricultural land may consist an area of not less than twenty ten
5 acres of ~~unplatted~~ land or is a part of a contiguous ownership of not less than eighty
6 acres of ~~unplatted~~ land. ~~The same acreage specifications apply to platted land,~~
7 ~~excluding land platted as a subdivision, which is in an unincorporated area. However,~~
8 ~~the board of county commissioners may increase the minimum acre requirement up~~
9 ~~to one hundred sixty acres~~ No land platted as a subdivision which creates three or
10 more lots and is recorded with subdivision name may qualify as agricultural land.

11 Section 2. That chapter 10-6 be amended by adding thereto a NEW SECTION to read as
12 follows:

13 Notwithstanding the provisions of § 10-6-31.3, any state-owned public shooting area or a
14 state-owned game production area as identified pursuant to § 41-4-8 that is owned and managed
15 by the Department of Game, Fish and Parks shall be assessed and taxed as agricultural land.

State of South Dakota

NINETY-FIRST SESSION
LEGISLATIVE ASSEMBLY, 2016

762X0106

HOUSE BILL NO. # 106

Introduced by: _____

1 FOR AN ACT ENTITLED, An Act to make an appropriation to revise and update the values
2 and methods used to determine the agricultural land production capacity and to declare an
3 emergency.

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

5 Section 1. There is hereby appropriated from the general fund the sum of one hundred
6 seventy-five thousand dollars (\$175,000), or so much thereof as may be necessary, to South
7 Dakota State University Department of Economics for the purpose of conducting research
8 concerning the value and methods used to determine agricultural land production capacity and
9 to update the data used in the soil tables.

10 Section 2. The president of South Dakota State University shall approve vouchers and the
11 state auditor shall draw warrants to pay expenditures authorized by this Act.

12 Section 3. Any amounts appropriated in this Act not lawfully expended or obligated by
13 June 30, 2018, shall revert in accordance with the procedures prescribed in chapter 4-8.

14 Section 4. Whereas, this Act is necessary for the support of the state government and its
15 existing public institutions, an emergency is hereby declared to exist, and this Act shall be in
16 full force and effect from and after its passage and approval.

