

State of South Dakota

EIGHTY-FOURTH SESSION
LEGISLATIVE ASSEMBLY, 2009

672Q0048

HOUSE TAXATION ENGROSSED NO. **SB 4** - 3/5/2009

This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.

Introduced by: Senators Knudson, Peterson, and Rhoden and Representatives Noem, Dennert, and Street at the request of the Agricultural Land Assessment Implementation and Oversight Advisory Task Force

1 FOR AN ACT ENTITLED, An Act to provide for additional responsibilities to the Agricultural
2 Land Assessment Implementation and Oversight Advisory Task Force.

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

4 Section 1. That § 10-6-33.35 be amended to read as follows:

5 10-6-33.35. There is hereby established the Agricultural Land Assessment Implementation
6 and Oversight Advisory Task Force. The task force shall consist of the following fourteen
7 members:

8 (1) The speaker of the House of Representatives shall appoint four members of the
9 House of Representatives, no more than two of whom may be from one political
10 party;

11 (2) The speaker of the House of Representatives shall appoint three members of the
12 general public, at least one of the members shall have an agricultural background and
13 at least one of the members shall have a business background;

14 (3) The president pro tempore of the Senate shall appoint four members of the Senate,



1 no more than two of whom may be from one political party; and

2 (4) The president pro tempore of the Senate shall appoint three members of the general
3 public, at least one of the members shall have an agricultural background and at least
4 one of the members shall have a business background.

5 The initial appointments shall be made no later than July 1, 2008, and shall serve until
6 January 12, 2009. The speaker of the House of Representatives and president pro tempore of the
7 Senate before the close of each regular session of the Legislature held in odd-numbered years
8 shall appoint members to the task force for a term of two years. If there is a vacancy on the task
9 force, the vacancy shall be filled in the same manner as the original appointment.

10 The task force shall advise the department regarding the rules promulgated by the
11 department to administer the provisions concerning the assessment and taxation of agricultural
12 lands and shall review the implementation of the provisions of law concerning the assessment
13 and taxation of agricultural land. The task force shall report to the Senate and House of
14 Representatives and may submit a copy of its report to the Governor. The task force may present
15 draft legislation and policy recommendations to the Legislative Research Council Executive
16 Board.

17 The task force shall make recommendations in the following areas:

18 (1) The proper percentage of annual earning capacity to be used to determine the
19 agricultural income value pursuant to § 10-6-33.28; ~~and~~

20 (2) The proper capitalization rate in order to have total taxable valuation for the taxes
21 payable in 2011 from agricultural property be not more than total taxable valuation
22 for the taxes payable in 2010 from agricultural property plus the estimated growth in
23 agricultural property value in 2010;

24 (3) The changes, if any, that must be made to §§ 13-10-6, 13-16-7, 13-37-16, and 13-37-

1 35.1 to ensure that the total amount of additional taxes that may be generated on
2 agricultural land by a school district pursuant to the provisions of §§ 13-10-6, 13-16-
3 7, 13-37-16, and 13-37-35.1 will not provide a substantial property tax revenue
4 increase for the school district pursuant to the implementation of the productivity
5 system pursuant to §§ 10-6-33.28 to 10-6-33.33, inclusive; and
6 (4) The changes, if any, that must be made to §§ 13-10-6, 13-16-7, 13-37-16, and 13-37-
7 35.1 to ensure that the total amount of property taxes that may be lost on agricultural
8 land by a school district pursuant to the provisions of §§ 13-10-6, 13-16-7, 13-37-16,
9 and 13-37-35.1 will not provide a substantial property tax revenue decrease for the
10 school district pursuant to the implementation of the productivity system pursuant to
11 §§ 10-6-33.28 to 10-6-33.33, inclusive.