

State of South Dakota

EIGHTY-SIXTH SESSION
LEGISLATIVE ASSEMBLY, 2011

400S0654

SENATE APPROPRIATIONS ENGROSSED NO. **SB 191** - 2/22/2011

Introduced by: The Committee on Appropriations at the request of the Office of the
Governor

1 FOR AN ACT ENTITLED, An Act to repeal certain provisions providing for the sales tax on
2 food refund program.

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

4 Section 1. That § 28-1-70 be amended to read as follows:

5 28-1-70. There is established the sales tax on food refund program to be administered by the
6 Department of Social Services. The purpose of the program is to provide sales tax refunds on
7 food for purchases made in accordance with chapters 10-45 and 10-46 to South Dakota families
8 who need it most.

9 Section 2. That § 28-1-71 be repealed.

10 ~~28-1-71. To be eligible for the sales tax on food refund program, a person shall:~~

11 ~~(1) Be a South Dakota resident;~~

12 ~~(2) Be the head of the household and certify the number of persons in the household;~~

13 ~~(3) Have countable income above one hundred thirty percent and below one hundred~~
14 ~~fifty-one percent of the federal poverty level, as updated annually by the Department~~



1 of Social Services in administrative rules promulgated pursuant to chapter 1-26;

2 ~~— (4) — Not be a recipient of food stamp benefits.~~

3 Section 3. That § 28-1-72 be repealed.

4 ~~— 28-1-72. The Department of Social Services shall promulgate rules, pursuant to chapter 1-~~
5 ~~26, relating to:~~

6 ~~— (1) — Eligibility criteria;~~

7 ~~— (2) — Refund amounts or levels;~~

8 ~~— (3) — Payment provisions;~~

9 ~~— (4) — Household reporting requirements; and~~

10 ~~— (5) — Recoveries.~~

11 Section 4. That § 28-1-73 be repealed.

12 ~~— 28-1-73. To receive sales tax on food refunds pursuant to §§ 28-1-70 to 28-1-77, inclusive,~~
13 ~~a household shall:~~

14 ~~— (1) — Apply for a quarterly refund on forms prescribed by the Department of Social~~
15 ~~Services using the prior three month periods's income;~~

16 ~~— (2) — Certify that any refund received will only be used to purchase food as defined in~~
17 ~~§§ 10-45-1 and 10-46-1; and~~

18 ~~— (3) — Report quarterly on forms prescribed by the Department of Social Services to~~
19 ~~continue eligibility for a refund.~~

20 Section 5. That § 28-1-74 be repealed.

21 ~~— 28-1-74. At the time in which a household has been accepted into the sales tax on food~~
22 ~~refund program, the household is entitled to a quarterly refund of the estimated amount of sales~~
23 ~~tax on food paid as determined in § 28-1-75.~~

24 Section 6. That § 28-1-75 be repealed.

1 ~~—28-1-75. The estimate of sales tax on food paid or refund awarded under this program shall~~
2 ~~be determined based on:~~

3 ~~—(1)—The thrifty food plan as adopted and updated annually in administrative rules~~
4 ~~promulgated by the Department of Social Services pursuant to chapter 1-26; and~~

5 ~~—(2)—The number of individuals in the household.~~

6 ~~—A monthly allotment shall be determined based on the thrifty food plan's maximum~~
7 ~~allotment and the corresponding number of individuals in the household. Once the monthly~~
8 ~~allotment is determined, it shall be annualized and multiplied by the average sales tax rate in~~
9 ~~South Dakota as determined by the Department of Revenue and Regulation. This shall be the~~
10 ~~annual level of refund eligible for the household. The annual refund shall be converted to a~~
11 ~~quarterly refund. This shall be the amount of eligible refund to the household.~~

12 Section 7. That § 28-1-76 be repealed.

13 ~~—28-1-76. If a household is a participant in the food stamp program administered by the~~
14 ~~Department of Social Services under chapter 28-12 for any of the period in which a refund is~~
15 ~~computed under § 28-1-75, those food stamp benefits shall be deducted from any refund~~
16 ~~received under the provisions of §§ 28-1-70 to 28-1-77, inclusive.~~

17 Section 8. That § 28-1-77 be repealed.

18 ~~—28-1-77. The method of payment utilized to make payments authorized by §§ 28-1-70 to 28-~~
19 ~~1-77, inclusive, shall be made by electronic debit card or by paper warrant.~~