

AN ACT

ENTITLED, An Act to revise certain provisions regarding what organizations qualify for an exemption from sales tax as a relief agency or a religious educational institution.

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

Section 1. That § 10-45-10 be amended to read as follows:

10-45-10. There are hereby specifically exempted from the provisions of this chapter and from the computation of the amount of tax imposed by it, the gross receipts from sales of tangible personal property, any product transferred electronically, and services to the United States, to the State of South Dakota or to any other state of the United States or the District of Columbia if the other state provides a reciprocal exemption for South Dakota, to public or municipal corporations of the State of South Dakota or of any other state of the United States or the District of Columbia if the other state provides a reciprocal exemption to South Dakota public or municipal corporations, to any nonprofit charitable organization maintaining a physical location within this state which devotes its resources exclusively to the relief of the poor, distressed or underprivileged, and has been recognized as an exempt organization under § 501(c)(3) of the Internal Revenue Code, or to any Indian tribe.

Section 2. That § 10-45-14 be amended to read as follows:

10-45-14. There are specifically exempted from the provisions of this chapter and from the computation of the amount of tax imposed by it, the gross receipts from sales of tangible personal property, any product transferred electronically, and services to and for use by religious educational institutions, private educational institutions currently recognized as exempt under section 501(c)(3) of the Internal Revenue Code as in effect on January 1, 2011, and nonprofit, charitable hospitals when purchases are made by authorized officials, payment made from the institution funds and title to the property retained in the name of such institution. For the purposes of this section, a private educational institution shall be defined as an institution currently recognized as exempt under section

501(c)(3) of the Internal Revenue Code as in effect on January 1, 2011, maintaining a campus physically located within this state; and accredited by the South Dakota Department of Education or the North Central Association of Colleges and Schools. For the purposes of this section, a religious educational institution shall be defined as an institution currently recognized as exempt under section 501(c)(3) of the Internal Revenue Code as in effect on January 1, 2011, that maintains a campus physically located within this state.

This exemption does not extend to sales to or purchases of tangible personal property or any product transferred electronically for the personal use of officials, members or employees of such institutions or to sales to or purchases of tangible personal property or any product transferred electronically used in the operation of a taxable retail business.

The exemption provided in this section does not, in any manner, relieve the institution from the payment of the additional and further license fee imposed on the registration of motor vehicles.

Each institution claiming this exemption shall prepare and maintain a list of all purchases on which the exemption was claimed, fully itemized, showing name and address of vendors, description of property purchased, date or dates of purchase, purchase price, and brief explanation of use or intended use.

An Act to revise certain provisions regarding what organizations qualify for an exemption from sales tax as a relief agency or a religious educational institution.

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I certify that the attached Act
originated in the

SENATE as Bill No. 39

Secretary of the Senate
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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 39
File No. _____
Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor
=====

The attached Act is hereby
approved this _____ day of
_____, A.D., 20____

Governor
=====

STATE OF SOUTH DAKOTA,
ss.
Office of the Secretary of State

Filed _____, 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State