

State of South Dakota

NINETIETH SESSION
LEGISLATIVE ASSEMBLY, 2015

645W0641

SENATE BILL NO. 185

Introduced by: Senators Frerichs, Heinert, Rampelberg, and Sutton and Representatives Feickert, Bolin, and McCleerey

1 FOR AN ACT ENTITLED, An Act to increase the motor vehicle excise tax rate and to dedicate
2 a portion of the revenue to the local government highway and bridge fund.

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

4 Section 1. That § 32-5B-1 be amended to read as follows:

5 32-5B-1. In addition to all other license and registration fees for the use of the highways, a
6 person shall pay an excise tax at the rate of ~~three~~ four percent on the purchase price of any motor
7 vehicle, as defined by § 32-3-1 or 32-5B-21, purchased or acquired for use on the streets and
8 highways of this state and required to be registered under the laws of this state. This tax shall
9 be in lieu of any tax levied by chapters 10-45 and 10-46 on the sales of such vehicles. Failure
10 to pay the full amount of excise tax is a Class 1 misdemeanor.

11 Section 2. That § 32-5B-1.4 be amended to read as follows:

12 32-5B-1.4. A licensed motor vehicle dealer who sells new motor vehicles and has a
13 franchise for that particular motor vehicle may license a new motor vehicle which is part of ~~his~~
14 the dealer's inventory. If the dealer licenses the motor vehicle, ~~he~~ the dealer shall title the motor
15 vehicle and pay the ~~three percent~~ excise tax imposed pursuant to § 32-5B-1 on the



1 manufacturer's suggested dealer list price. The next purchaser ~~shall be~~ is exempt from the excise
2 tax.

3 Section 3. That § 32-5B-17 be amended to read as follows:

4 32-5B-17. ~~All revenues~~ The revenue received pursuant to ~~§§ 32-5B-1 and § 32-5B-20~~ shall
5 be credited to the state highway fund.

6 Ninety percent of the revenue received pursuant to §§ 32-5B-1 and 32-5B-1.4 shall be
7 credited to the state highway fund and ten percent of the revenue received pursuant to §§ 32-5B-
8 1 and 32-5B-1.4 shall be credited to the local government highway and bridge fund.