

State of South Dakota

SEVENTY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 1997

818A0029

HOUSE TAXATION COMMITTEE

ENGROSSED NO. **SB13** - 3/3/97

Introduced by: Senators Hunhoff, Hutmacher, and Kleven and Representatives Waltman, Fitzgerald, and Gleason at the request of the Interim Agriculture Products Committee

1 FOR AN ACT ENTITLED, An Act to revise certain provisions concerning the taxation of
2 transportation services.

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

4 Section 1. That § 10-45-80 be repealed.

5 ~~— 10-45-80. For any small package delivery company which has an established pricing and~~
6 ~~billing mechanism that does not correspond to state boundaries, the tax imposed~~
7 ~~by §§ 10-45-70 and 10-46-57 shall be paid as follows:~~

8 ~~— (1) For transportation services rendered to customers of the small package delivery~~
9 ~~company which are licensed to collect and remit the tax imposed by this chapter, the~~
10 ~~tax imposed by §§ 10-45-70 and 10-46-57 shall be accrued and paid directly by the~~
11 ~~customer; and~~

12 ~~— (2) For transportation services rendered to customers of the small package delivery~~
13 ~~company which are not licensed to collect and remit the tax imposed by this chapter,~~
14 ~~the small package delivery company and the secretary of revenue shall enter into an~~

1 ~~agreement concerning the determination of the value of the small package delivery~~
2 ~~company's taxable transportation services rendered to such customers. This~~
3 ~~subdivision does not prohibit the small package delivery company from passing the~~
4 ~~burden of the tax on to such customers.~~

5 For purposes of this section, a small package delivery company is a small package
6 transportation service, courier service, or parcel service that is primarily engaged in the
7 transportation and delivery of packages generally weighing less than one hundred fifty
8 pounds.

1 **BILL HISTORY**

2 1/14/97 First read in Senate and referred to Taxation. S.J. 14

3 1/17/97 Scheduled for Committee hearing on this date.

4 1/22/97 Scheduled for Committee hearing on this date.

5 1/22/97 Taxation Do Pass, Passed, AYES 8, NAYS 0.

6 1/23/97 Senate Do Pass, Passed, AYES 34, NAYS 0. S.J. 148

7 1/24/97 First read in House and referred to Taxation. H.J. 119

8 2/25/97 Scheduled for Committee hearing on this date.

9 2/25/97 Taxation Deferred to another day. H.J. 676

10 2/27/97 Scheduled for Committee hearing on this date.

11 2/27/97 Taxation Deferred to 41st legislative day, AYES 9, NAYS 4. H.J. 744

12 2/27/97 Recalled from committee (Rule 7-7). H.J. 750

13 2/27/97 Taxation Reconsidered.

14 2/27/97 Taxation Do Pass Amended, Passed, AYES 8, NAYS 4. H.J. 770