

State of South Dakota

SEVENTY-THIRD SESSION
LEGISLATIVE ASSEMBLY, 1998

933B0112

SENATE BILL NO. 16

Introduced by: Senators Kloucek, Dennert, Dunn (Rebecca), and Hutmacher and
Representatives Weber, Koetzle, Moore, Schrempp, and Waltman

1 FOR AN ACT ENTITLED, An Act to revise the inheritance tax exemptions.

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

3 Section 1. That § 10-40-23 be amended to read as follows:

4 10-40-23. The following exemptions from the tax are hereby allowed:

- 5 (1) All property transferred to public corporations within the state for strictly county,
6 township, school, or municipal purposes, all property which escheats to the State of
7 South Dakota for the benefit of the common school permanent school fund, and all
8 property transferred in any manner to the State of South Dakota for the benefit of any
9 permanent school fund;
- 10 (2) Property transferred to a nonprofit hospital, nonprofit nursing facility, nonprofit
11 foundation, elementary and secondary school, college, university, seminary of
12 learning, church, or to an organization operating the same within the state or to a
13 health care organization or charitable, benevolent or religious society or institution or
14 foundation as defined in §§ 10-4-9 to 10-4-9.3, inclusive. However, property
15 transferred after July 1, 1949, to any such institution or organization operating the

1 same without the state shall also be exempt if the laws of the state, territory, or
2 country in which such institution is located at the time of the transfer contained a
3 reciprocal exemption provision under which was allowed a similar exemption of
4 transfers to such institutions or organization operating the same within this state;

5 (3) Property of the clear value of ~~thirty~~ sixty thousand dollars transferred to each of the
6 lineal issue of the decedent, or any child adopted as such in conformity with the laws
7 of any state, or any stepchild, or any child to whom the decedent for not less than ten
8 years prior to such transfer stood in mutually acknowledged relation of a parent, if
9 such relationship began at or before the child's fifteenth birthday and was continuous
10 for ten years thereafter, or any lineal issue of such adopted, step, or mutually
11 acknowledged child. For purposes of this subdivision, a stepchild is any child of a
12 decedent's spouse;

13 (4) Property of the clear value of ~~three~~ six thousand dollars transferred to each of the
14 lineal ancestors of the decedent;

15 (5) Property of the clear value of ~~five hundred~~ one thousand dollars transferred to each
16 of the persons described in subdivision 10-40-21(3);

17 (6) Property of the clear value of ~~two~~ four hundred dollars transferred to each of the
18 persons described in subdivision 10-40-21(4);

19 (7) Property of the clear value of ~~one~~ two hundred dollars transferred to each of the
20 persons and corporations described in subdivision 10-40-21(5).

21 Section 2. The effective date of this Act shall be July 1, 1999.