

State of South Dakota

SEVENTY-THIRD SESSION
LEGISLATIVE ASSEMBLY, 1998

930B0407

SENATE BILL NO. 97

Introduced by: Senators Staggers, Aker, Dennert, Drake, Hainje, Kleven, Munson (David), and Shoener and Representatives Windhorst, Apa, Cerny, Chicoine, Crisp, Duniphan, Duxbury, Hassard, Kooistra, Lockner, Madden, Monroe, Napoli, Van Gerpen, and Weber

1 FOR AN ACT ENTITLED, An Act to increase certain 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

1 transferred after July 1, 1949, to any such institution or organization operating the
2 same without the state shall also be exempt if the laws of the state, territory or
3 country in which such institution is located at the time of the transfer contained a
4 reciprocal exemption provision under which was allowed a similar exemption of
5 transfers to such institutions or organization operating the same within this state;

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

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

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

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

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

22 Section 2. The effective date of this Act is July 1, 1999.