

AN ACT

ENTITLED, An Act to repeal and revise certain provisions concerning the annual assessment of property.

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

Section 1. That § 10-6-3 be repealed.

Section 2. That § 10-6-6 be repealed.

Section 3. That § 10-6-9 be repealed.

Section 4. That § 10-6-17 be repealed.

Section 5. That § 10-6-25 be amended to read as follows:

10-6-25. For the purpose of properly assessing property for taxation and equalizing and collecting taxes, the county director of equalization or the director's deputy shall personally inspect and examine all property listed and assessed. The director or the director's deputies may inspect and examine the records of all public offices and the books and papers relating to the fair market value of the property being assessed of all corporations, banks, and taxpayers in this state, without charge. The director or the director's deputies may administer oaths or affirmation to any person in the discharge of their duties.

Section 6. That § 10-6-25.1 be repealed.

Section 7. That § 10-6-25.2 be repealed.

Section 8. That § 10-6-29 be repealed.

Section 9. That § 10-6-33.11 be repealed.

Section 10. That § 10-6-34 be repealed.

Section 11. That § 10-6-35.1 be amended to read as follows:

10-6-35.1. Any new industrial structure, or an addition to an existing structure which new structure or addition has a true and full value of thirty thousand dollars or more, added to real property is specifically classified for the purpose of taxation.

Section 12. That § 10-6-35.2 be amended to read as follows:

10-6-35.2. Any structure classified pursuant to § 10-6-35.1, 10-6-35.21, 10-6-35.22, 10-6-35.24, or 10-6-35.25 shall, following construction, be valued for taxation purposes in the usual manner. However, the board of county commissioners of the county where the structure is located, may adopt any formula for assessed value to be used for tax purposes. The formula may include for any or all of the five tax years following construction all, any portion or none of the assessed valuation for tax purposes. The board of county commissioners of the county where the structure is located may, if requested by the owner of the structure, not apply the discretionary formula and the full assessment shall be made without application of the formula. In waiving the formula for the structure of one owner, the board of county commissioners is not prohibited from applying the formula for subsequent new structures. The assessed valuation during any of the five years may not be less than the assessed valuation of the property in the year preceding the first year of the tax years following construction.

Any structure that is partially constructed on the assessment date may be valued for tax purposes pursuant to this section and the valuation may not be less than the assessed valuation of the property in the year preceding the beginning of construction. During any period of time that the property is valued for tax purposes pursuant to this section, the period of time may include the years when the property is partially constructed.

Thereafter the property shall be assessed at the same percentage as is all other property for tax purposes.

Section 13. That § 10-6-35.19 be amended to read as follows:

10-6-35.19. Any commercial, industrial, and nonresidential agricultural real property which increases more than ten thousand dollars in true and full value as a result of reconstruction or renovation of structures is specially classified for purposes of taxation. The increase in true and full value resulting from the reconstruction or renovation of qualifying property shall be given tax treatment in the manner provided for in § 10-6-35.2.

Section 14. That § 10-6-35.21 be amended to read as follows:

10-6-35.21. Any new nonresidential agricultural structure, or addition to an existing structure, which new structure or addition has a true and full value of ten thousand dollars or more, added to real property is specifically classified for the purpose of taxation.

Section 15. That § 10-6-35.24 be amended to read as follows:

10-6-35.24. Any new commercial structure, except a commercial residential structure, or addition to an existing structure, which new structure or addition has a true and full value of thirty thousand dollars or more, added to real property is specifically classified for the purpose of taxation.

Section 16. That § 10-6-35.25 be amended to read as follows:

10-6-35.25. Any new commercial residential structure, or addition to an existing structure, which new structure or addition has a true and full value of thirty thousand dollars or more, added to real property is specifically classified for the purpose of taxation. For purposes of this section, a commercial residential structure shall contain four or more units.

Section 17. That § 10-6-52 be repealed.

Section 18. That § 10-6-53 be repealed.

Section 19. That § 10-6-54 be amended to read as follows:

10-6-54. Any new residential structure, or addition to an existing structure, located within a redevelopment neighborhood established pursuant to § 10-6-56 which new structure or addition has a true and full value of fifteen thousand dollars or more, added to real property is specifically classified for the purpose of taxation. The structure shall be located in an area defined and designated as a redevelopment neighborhood based on conditions provided in § 11-7-2 or 11-7-3.

Section 20. That § 10-6-55 be amended to read as follows:

10-6-55. Any structure classified pursuant to § 10-6-54 shall, following construction, be valued for taxation purposes in the usual manner. However, after notice to the governing body of each municipality within the county, the board of county commissioners of the county where the structure

is located, may, in the board's discretion, adopt any formula for assessed value to be used for tax purposes. The formula may include for any or all of the five tax years following construction all, any portion or none of the assessed valuation for tax purposes. The assessed valuation during any of the five years may not be less than the assessed valuation of the property in the year preceding the first year of the tax years following construction. Any structure that is partially constructed on the assessment date may be valued for tax purposes pursuant to this section and the valuation may not be less than the assessed valuation of the property in the year preceding the beginning of construction. During any period of time that the property is valued for tax purposes pursuant to this section, the period of time may include the years when the property is partially constructed. Thereafter the property shall be assessed at the same percentage as is all other property for tax purposes.

Section 21. That § 10-6-67 be amended to read as follows:

10-6-67. Property classified pursuant to § 10-6-66 shall be valued for taxation purposes in the usual manner. However, the board of county commissioners of the county where the property is located may, in the board's discretion, adopt any formula for assessed value to be used for tax purposes. The formula may include for any or all of the five tax years following the filing of the plat for the subdivision all, any portion or none of the assessed valuation for tax purposes. The assessed valuation during any of the five years may not be less than the assessed valuation of the property in the year preceding the first year of the tax years following the filing of the plat for the subdivision. The board of county commissioners of a county where property classified pursuant to § 10-6-66 is located may, in the board's discretion, if requested by the owner of the property, not apply the discretionary formula and the full assessment shall be made without application of the formula. In waiving the formula for the property of one owner, the board of county commissioners is not prohibited from applying the formula for subsequent property.

Section 22. That § 10-6-68 be repealed.

Section 23. That § 10-11-56.5 be repealed.

Section 24. That § 10-6-66.1 be transferred to chapter 10-13.

Section 25. That § 10-13-39 be amended to read as follows:

10-13-39. Each owner-occupied single-family dwelling in this state is specifically classified for the purpose of taxation. For the purposes of this section, an owner-occupied single-family dwelling is a house, condominium apartment, residential housing consisting of four or less family units, town house, town home, housing cooperatives where membership in the cooperative is strictly limited to stockholder occupants of the building, dwelling as classified in section 24 of this Act, and manufactured or mobile home as defined in § 32-3-1, which is assessed and taxed as a separate unit, including an attached or unattached garage and the parcel of land upon which the structure is situated as recorded in the records of the director of equalization. A person may only have one dwelling classified as an owner-occupied single-family dwelling. If the owner occupies fifty percent or more of the living space within the dwelling, the entire dwelling is classified as an owner-occupied single-family dwelling. If the owner occupies a duplex, triplex, or fourplex, or less than fifty percent of the living space within the dwelling, the portion of the dwelling so occupied shall be classified as an owner-occupied single-family dwelling.

Section 26. That §§ 10-6-70 to 10-6-73, inclusive, be transferred to chapter 10-21.

Section 27. That § 32-5-16.3 be amended to read as follows:

32-5-16.3. Any person who moves a mobile home or manufactured home shall obtain a permit, as prescribed by the secretary of revenue, from the county treasurer where the home is located. The permit fee is valid for a single trip from the point of origin to a point of destination within the state. Before the county treasurer may issue a permit, the owner of the mobile home or manufactured home shall obtain an affidavit from the county treasurer stating that the current year's taxes are paid as described in section 26 of this Act or § 10-9-3. The permit fee for mobile homes and manufactured homes for use on the public highways is fifteen dollars. The fees collected shall be credited to the license plate special revenue fund. The fee and permit imposed by this section does not apply to a new

or used mobile home or manufactured home transported by or for a dealer licensed under chapter 32-7A. A violation of this section is a Class 2 misdemeanor.

Section 28. That § 32-7A-17 be amended to read as follows:

32-7A-17. Any transfer or reassignment of a mobile home or manufactured home title shall be accompanied by an affidavit issued by the county treasurer of the county in which the mobile home or manufactured home is registered, stating that the current year's taxes are paid. The county treasurer shall apply the requirements of section 26 of this Act to determine if the current year's taxes are paid. No title may be transferred until the taxes under § 10-9-3 or 10-21-4 are paid. No transfer of title may be completed unless the mobile home or manufactured home is registered as provided in § 10-9-3 or 10-4-2.6. In any event the title or manufacturer's statement of origin shall be transferred within thirty days of delivery of the manufactured home or mobile home. A violation of this section is a Class 2 misdemeanor.

Section 29. That § 32-7A-11 be amended to read as follows:

32-7A-11. New and used mobile homes and manufactured homes owned by a dealer may be transported upon the streets and highways to the dealer's place of business and to the purchaser of such a home and between a dealer's place of business and a supplemental lot or a temporary supplemental lot. Any mobile home or manufactured home purchased or transported by or for a dealer shall be accompanied with a notification form stating the point of origin. The dealer shall provide a copy of the notification form to the director of equalization in the county of origin.

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I certify that the attached Act
originated in the

HOUSE as Bill No. 1004

Chief Clerk

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Speaker of the House

Attest:

Chief Clerk

President of the Senate

Attest:

Secretary of the Senate

House Bill No. 1004
File No. _____
Chapter No. _____

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Received at this Executive Office
this ____ day of _____ ,

20__ at _____ M.

By _____
for the Governor

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

Governor

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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