

State of South Dakota

SEVENTY-FIFTH SESSION
LEGISLATIVE ASSEMBLY, 2000

519D0173

HOUSE BILL NO. 1075

Introduced by: Representatives Munson (Donald), Diedtrich (Elmer), Engbrecht, Fryslie, Juhnke, McCoy, and Sutton (Duane) and Senators Reedy and Kloucek

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

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
14 or 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
16 same without the state shall also be exempt if the laws of the state, territory, or

1 country in which such institution is located at the time of the transfer contained a
 2 reciprocal exemption provision under which was allowed a similar exemption of
 3 transfers to such institutions or organization operating the same within this state;

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

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

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

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

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

20 Section 2. That § 10-40-23.4 be repealed.

21 ~~10-40-23.4. The inheritance tax exemption for lineal issue provided for in subdivision~~
 22 ~~10-40-23(3) is:~~

23 ~~— (1) — July 1, 2000, to June 30, 2001, inclusive, forty thousand dollars;~~

24 ~~— (2) — July 1, 2001, to June 30, 2002, inclusive, fifty thousand dollars;~~

25 ~~— (3) — July 1, 2002, to June 30, 2003, inclusive, sixty thousand dollars;~~

1 ~~(4) July 1, 2003, to June 30, 2004, inclusive, seventy thousand dollars;~~

2 ~~(5) July 1, 2004, to June 30, 2005, inclusive, eighty thousand dollars;~~

3 ~~(6) July 1, 2005, to June 30, 2006, inclusive, ninety thousand dollars;~~

4 ~~(7) July 1, 2006, and thereafter, one hundred thousand dollars.~~

5 Section 3. That § 10-40-23.5 be repealed.

6 ~~10-40-23.5. The exemptions provided for in § 10-40-23.4 apply to any inheritance resulting~~
7 ~~from the death of any decedent during the time period specified.~~

8 Section 4. The provisions of this Act apply to any inheritance which is the result of the death
9 of any person on or after January 1, 2001.