

State of South Dakota

SEVENTY-FIFTH SESSION
LEGISLATIVE ASSEMBLY, 2000

564D0357

HOUSE BILL NO. 1179

Introduced by: Representatives Napoli, Apa, and Cutler and Senators Dunn (Jim), Hutmacher,
and Olson

1 FOR AN ACT ENTITLED, An Act to revise the rate of interest on property tax certificates and
2 delinquent taxes.

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

4 Section 1. That § 54-3-16 be amended to read as follows:

5 54-3-16. The official state interest rates, as referenced throughout the South Dakota Codified
6 Laws, are as follows:

7 (1) Category A rate of interest is four and one-half percent per year;

8 (2) Category B rate of interest is ten percent per year;

9 (3) Category C rate of interest is twelve percent per year;

10 (4) Category D rate of interest is one percent per month or fraction thereof; ~~and~~

11 (5) Category E rate of interest is four percent per year; ~~and~~

12 (6) Category F rate of interest is fifteen percent per year; and

13 (7) Category G rate of interest is five-sixth percent per month or fraction thereof.

14 Section 2. That § 10-9-12 be amended to read as follows:

15 10-9-12. Any tax not paid within the period prescribed in § 10-9-10 is subject to a penalty
16 of the ~~Category B~~ Category G rate of interest as established in § 54-3-16. The penalty shall

1 attach and be a charge upon the tax.

2 Section 3. That § 10-21-7.3 be amended to read as follows:

3 10-21-7.3. Any property taxes remitted by electronic transmission pursuant to § 10-21-7.1
4 are delinquent if not remitted by the third day of the month following the month the taxes are
5 due. However, notwithstanding the provisions of § 10-21-23, the first half of property taxes are
6 not delinquent if the fifth payment made monthly pursuant to §§ 10-21-7.1 to 10-21-7.3,
7 inclusive, is credited to the bank account designated by the county treasurer on or before May
8 first. If taxes become delinquent pursuant to this section, interest shall be added to the delinquent
9 taxes at the ~~Category B~~ Category G rate as established pursuant to § 54-3-16 for each day the
10 taxes are delinquent.

11 Section 4. That § 10-21-23 be amended to read as follows:

12 10-21-23. On the first day of May of the year after which taxes have been assessed, one-half
13 of all unpaid real estate taxes are delinquent. However, all real estate taxes totaling fifty dollars
14 or less shall be paid in full on or before April thirtieth. On the first day of each month thereafter
15 there shall be added as interest on the delinquent taxes at the ~~Category B~~ Category G rate of
16 interest as established in § 54-3-16. If the other half is not paid on or before the thirty-first day
17 of October of the same year, that also becomes delinquent on November first and the same
18 interest shall attach in the same manner.

19 Section 5. That § 10-23-23 be amended to read as follows:

20 10-23-23. All real property sold for delinquent special assessments pursuant to § 10-23-1 and
21 not redeemed shall be entered by the county treasurer upon the duplicate tax lists of the county
22 for the succeeding years and noted upon all duplicate tax receipts for the real property. The
23 county treasurer shall add to the amount of each special assessment so certified interest at the
24 ~~Category B~~ Category G rate of interest as established in § 54-3-16, and ten cents on each lot or
25 parcel of ground for the cost of advertising. No other costs or penalties may be added except as

1 provided by law for certificate of sale, deed, and acknowledgment.

2 Section 6. That § 10-23-25 be amended to read as follows:

3 10-23-25. If the county treasurer of any county bids off any real property in the name of the
4 county, the treasurer shall make out a certificate of purchase to the county in the same manner
5 as if sale had been made to any other person. The certificate shall be retained by the treasurer,
6 but no tax receipt may be issued and no amount may be due the state, or any other fund. No
7 treasurer's commission may be paid by the county until redemption has been made from the sale
8 or the time of redemption has expired, or until the interest of the county has been assigned. The
9 certificate issued to the county shall bear interest at the ~~Category B~~ Category G rate of interest
10 as established in § 54-3-16.

11 Section 7. That § 10-27-5 be amended to read as follows:

12 10-27-5. If the party seeking relief asserts the invalidity of the tax, its application or its legal
13 existence as a lien or claim against the property involved, as distinguished from irregularities in
14 procedure no tender may be required as to any portion properly asserted to be invalid or void
15 as a tax for any reason going to its base or legal existence. In all such cases, the court in the
16 action or proceeding shall first determine the question of the legality or existence of any tax and,
17 if necessary, to make proper assessment, calculation, and order as to the amount, if any, which
18 should have been legally paid. All of this shall be determined as of the date when the assessment
19 and levy was or should have been made, except that the due date of the tax shall be established
20 as the first day of January next following the date when an assessment originally was or should
21 have been made. The court shall enter its order directing the party seeking relief to deposit a sum
22 with interest at the ~~Category B~~ Category G rate of interest as established in § 54-3-16 from the
23 date when the tax originally became or should have become due.