

State of South Dakota

SEVENTY-FIFTH SESSION
LEGISLATIVE ASSEMBLY, 2000

357D0589

HOUSE JOINT RESOLUTION NO. 1003

Introduced by: Representatives Waltman, Burg, Cerny, Chicoine, Crisp, Haley, Hanson, Kazmerzak, Koetzle, Lockner, Lucas, McIntyre, Nachtigal, and Weber and Senators Dennert, Flowers, Hutmacher, Lange, Reedy, and Symens

1 A JOINT RESOLUTION, Proposing and submitting to the electors at the next general election
2 a new section to Article XI of the Constitution of the State of South Dakota, imposing an
3 individual and corporate income tax; exempting food, utilities, residential heating fuel, and
4 certain intrastate transportation services from sales and use taxes; providing property tax
5 relief through the general fund and special education levy of a school district; and increasing
6 state aid to education.

7 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE STATE OF
8 SOUTH DAKOTA, THE SENATE CONCURRING THEREIN:

9 Section 1. That at the next general election held in the state, the following amendment to
10 Article XI of the Constitution of the State of South Dakota, as set forth in section 2 of this Joint
11 Resolution, which is hereby agreed to, shall be submitted to the electors of the state for approval.

12 Section 2. That ARTICLE XI of the Constitution of the State of South Dakota be amended
13 by adding thereto a NEW SECTION to read as follows:

14 § 15. The Legislature shall impose an individual and corporate income tax in the session
15 following the ratification of this amendment. The revenue and interest generated by such income
16 tax, less the cost of administration, is dedicated for the purpose of funding property tax relief by

1 reducing the tax levy for the general fund and the special education fund of a school district. The
2 Legislature shall also provide and define an exemption for food, utilities, residential heating fuel,
3 and intrastate trucking services from the sales and use tax with the revenue and interest
4 generated by such income tax. After the tax levies for the general fund and the special education
5 fund of a school district are eliminated, the remaining revenue is dedicated to increasing the state
6 aid to elementary and secondary education through the per student allocation and if additional
7 revenue is available it shall be used for other tax relief. The Legislature shall impose the
8 individual income tax based on the federal taxable income. The Legislature shall impose an
9 individual income tax not to exceed three percent of the first twenty thousand dollars of federal
10 taxable income, four and one-half percent of the next twenty thousand dollars of federal taxable
11 income, and six percent of federal taxable income over forty thousand dollars. The Legislature
12 shall not impose a corporate income tax in excess of six percent of the federal taxable income.

13 Section 3. The tax exemptions provided in this amendment are effective July first during the
14 first year that the state receives revenue from the individual and corporate income tax imposed
15 by this amendment.