

State of South Dakota

SEVENTY-SIXTH SESSION
LEGISLATIVE ASSEMBLY, 2001

546E0751

HOUSE BILL NO. 1238

Introduced by: Representative Napoli

1 FOR AN ACT ENTITLED, An Act to authorize the use of the municipal sales tax for school
2 districts.

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

4 Section 1. That § 10-52-2 be amended to read as follows:

5 10-52-2. Any incorporated municipality within this state may impose any non-ad valorem tax
6 in accordance with the provisions of this chapter, except upon fuel used for motor vehicles, by
7 ordinance enacted by its local governing board. However, no tax may be levied on the sale, use,
8 storage and consumption of items taxed under chapters 10-45 and 10-46, unless such tax
9 conforms in all respects to the state tax on such items with the exception of the rate, and the rate
10 levied does not exceed two percent.

11 If a municipality increases its tax rate above one percent, the revenue generated from the tax
12 increase may only be used for capital improvement, to include lease-purchase agreements of
13 realty, land acquisition, the funding of public ambulances and medical emergency response
14 vehicles, public school districts, public hospitals, or nonprofit hospitals with fifty or fewer
15 licensed beds, and other public health care facilities or nonprofit health care facilities with fifty

1 or fewer licensed beds, the transfer to the special 911 fund authorized by § 34-45-12, the
2 purchasing of fire fighting vehicles and equipment, debt retirement and the minor rehabilitation,
3 major rehabilitation, or reconstruction of streets as defined in the June, 1994, South Dakota
4 Department of Transportation Pavement Condition Survey Guide for City Streets.