

# State of South Dakota

SEVENTY-SIXTH SESSION  
LEGISLATIVE ASSEMBLY, 2001

772E0516

SENATE TAXATION COMMITTEE ENGROSSED NO.

**SB 140** - 01/31/2001

Introduced by: Senators Sutton (Dan), Diedrich (Larry), and Koskan and Representatives Lange, Flowers, Hargens, Kloucek, and Konold

1 FOR AN ACT ENTITLED, An Act to clarify certain provisions relating to the payment of taxes  
2 to municipalities from the revenues of electric cooperatives providing service within a  
3 municipality.

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

5 Section 1. That § 49-34A-45 be amended to read as follows:

6 49-34A-45. A rural electric cooperative serving less than a majority of customers in a  
7 municipality not having a municipally owned system, ~~shall~~ may, at the option of the municipality,  
8 pay in addition to other taxes provided by law, an amount each and every year equal to two  
9 percent of the total gross revenues received by the cooperative for that year from the sale of  
10 power distributed to structures and electric service outlets situated within the municipality.

11 Section 2. That § 49-34A-46 be amended to read as follows:

12 49-34A-46. Any electric utility with facilities within the boundaries of a municipality, as they  
13 exist from time to time, which has a municipally owned electric system serving over fifty percent  
14 of the customers in ~~said~~ the municipality, shall may, at the option of the municipality, pay to the

1 municipality an amount to be agreed upon by the electric supplier and the governing body of the  
2 municipality. If the parties have not agreed on the amount on or before May first following the  
3 calendar year from which the amount is to be paid, the amount to be paid shall be four percent  
4 of the total gross revenue collected by the electric supplier from the sale of power delivered to  
5 structures and electric service outlets situated within the municipality during the year for which  
6 the amount is paid.