

AN ACT

ENTITLED, An Act to revise the gross receipts tax that applies to certain telephone companies.

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

Section 1. That § 10-33-21 be amended to read as follows:

10-33-21. All persons, corporations, cooperatives, and associations engaged in furnishing and providing telephone and exchange service comprising rental and toll service by means of wired circuits and otherwise and whose annual gross receipts are less than fifty million dollars shall be taxed on the basis of gross receipts, according to one of the two following schedules. Whichever schedule provides the lesser percentage of tax shall be applied by the Department of Revenue:

SCHEDULE A

Average Number of Customers Per Mile of Line (Density)	Percentage of Tax on Gross Revenue
Not more than 1	2
More than 1, but not more than 2	3
More than 2	4

SCHEDULE B

Gross Annual Revenue		Percentage of Tax on Gross Revenue
Not more than	\$ 15,000	2
More than \$15,000 but not more than	20,000	3
More than 20,000 but not more than	50,000,000	4

However, no telephone company operating in this state shall be taxed less than an amount equal to fifty cents per year per telephone serviced. Further, each telephone company that was taxed in the

five percent tax category for the calendar year 2001 shall pay an amount of tax to each school district of not less than the tax received by such school district in 2002 for the years 2003 and 2004; and each year thereafter, the tax paid shall be as provided in SCHEDULE A or SCHEDULE B of this Act.

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I certify that the attached Act
originated in the
HOUSE as Bill No. 1102

Chief Clerk
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Speaker of the House

Attest:

Chief Clerk

President of the Senate

Attest:

Secretary of the Senate

House Bill No. 1102
File No. _____
Chapter No. _____

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Received at this Executive Office
this ____ day of _____ ,
20__ at _____ M.

By _____
for the Governor
=====

The attached Act is hereby
approved this _____ day of
_____, A.D., 20__

Governor

=====
STATE OF SOUTH DAKOTA,
ss.
Office of the Secretary of State

Filed _____, 20__
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State