

# State of South Dakota

SEVENTY-SEVENTH SESSION  
LEGISLATIVE ASSEMBLY, 2002

400H0721

## HOUSE ENGROSSED NO. **SB 182** - 02/21/2002

Introduced by: The Committee on State Affairs at the request of the Governor

1 FOR AN ACT ENTITLED, An Act to revise the procedures for opting out of the property tax  
2 freeze.

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

4 Section 1. That § 10-12-43 be amended to read as follows:

5 10-12-43. The governing body of the school district may raise additional revenues for general  
6 fund purposes only, from property tax through the imposition of an excess tax levy. The  
7 governing body of a school district may impose the excess tax levy with an affirmative two-thirds  
8 vote of the governing body on or before July fifteenth of the year prior to the year the taxes are  
9 payable. On any excess tax levy approved after July 1, 2002, the governing body of the taxing  
10 district shall specify in the resolution the year or number of years the excess tax levy will be  
11 applied.

12 The requirements for an announcement made pursuant to this section are as follows:

13 (1) The decision of the governing body to originally impose or subsequently increase an  
14 excess tax levy shall be first published within ten days of the decision;

15 (2) Publication shall be made at least twice in the legal newspaper designated pursuant



1 to § 13-8-10, with no fewer than five days between publication dates, before the opt  
2 out takes effect;

3 (3) The announcement shall be at least two newspaper columns in width;

4 (4) The announcement shall be headed with the following statement: "ATTENTION  
5 TAXPAYERS: NOTICE OF PROPERTY TAX INCREASE OF \$(fill in amount)."

6 The remainder of the announcement shall consist of a reproduction of the "Resolution  
7 for Opt Out," including the amount that property taxes will be increased annually by  
8 the proposed opt out and a statement of the right to refer the decision of the board  
9 to a vote of the people as provided in this section. The secretary of revenue, in rules  
10 promulgated pursuant to chapter 1-26, shall prescribe a uniform form to be used by  
11 the school district for notification of taxpayers as required by this section.

12 However, the requirements of subdivisions (3) and (4) shall be waived if:

13 (A) The opt out is for less than fifteen thousand dollars; or

14 (B) A copy of the resolution for opt out is mailed to every property taxpayer in the local  
15 governmental unit, by first class mail or bulk mail, within twenty days of the decision  
16 to opt out; and

17 (C) A copy of the resolution for opt out is printed in each official newspaper in the local  
18 governmental unit's boundaries.

19 For the purposes of subsections (A), (B), and (C), the first publication is not deemed to have  
20 occurred until three days after the mailing is sent or the resolution is delivered to the official  
21 newspaper.

22 The opt out decision may be referred to a vote of the people upon a petition signed by at  
23 least five percent of the registered voters in the school district and filed with the governing body  
24 within twenty days of the first publication of the decision. The referendum election shall be held

1 on or before October first of the year prior to the time the taxes are payable.

2 Section 2. That § 10-13-36 be amended to read as follows:

3 10-13-36. The governing body of a taxing district may exceed the limit pursuant to  
4 § 10-13-35 through the imposition of an excess tax levy. The governing body of a taxing district  
5 may impose an excess tax levy with an affirmative two-thirds vote of the governing body on or  
6 before July fifteenth of the year prior to the year the taxes are payable. On any excess tax levy  
7 approved after July 1, 2002, the governing body of the taxing district shall specify in the  
8 resolution the year or number of years the excess tax levy will be applied.

9 The requirements for an announcement made pursuant to this section are as follows:

10 (1) The decision of the governing body to originally impose or subsequently increase an  
11 excess tax levy shall be published within ten days of the decision;

12 (2) Publication shall be made at least twice in the legal newspaper designated by the  
13 governing body pursuant to law, with no fewer than five days between publication  
14 dates, before the opt out takes effect;

15 (3) The announcement shall be at least two newspaper columns in width;

16 (4) The announcement shall be headed with the following statement: "ATTENTION  
17 TAXPAYERS: NOTICE OF PROPERTY TAX INCREASE OF \$(fill in amount)."

18 The remainder of the announcement shall consist of a reproduction of the "Resolution  
19 for Opt Out," including the amount that property taxes will be increased annually by  
20 the proposed opt out and a statement of the right to refer the decision of the board  
21 to a vote of the people as provided in this section. The secretary of revenue, in rules  
22 promulgated pursuant to chapter 1-26, shall prescribe a uniform form to be used by  
23 the taxing district for notification of taxpayers as required by this section.

24 However, the requirements of subdivisions (3) and (4) shall be waived if:

1       (A) The opt out is for less than fifteen thousand dollars; or

2       (B) A copy of the resolution for opt out is mailed to every property taxpayer in the local  
3       governmental unit, by first class mail or bulk mail, within twenty days of the decision  
4       to opt out; and

5       (C) A copy of the resolution for opt out is printed in each official newspaper in the local  
6       governmental unit's boundaries.

7       For the purposes of subsections (A), (B), and (C), the first publication is not deemed to have  
8       occurred until three days after the mailing is sent or the resolution is delivered to the official  
9       newspaper.

10       The opt out decision may be referred to a vote of the people upon a petition signed by at  
11       least five percent of the registered voters in the taxing district and filed with the respective  
12       governing body within twenty days of the first publication of the decision. The referendum  
13       election shall be held on or before October first preceding the year the taxes are payable. The  
14       taxing districts may not exceed the levy limits provided in chapter 10-12 except for the  
15       provisions in § 10-12-36.