

State of South Dakota

SEVENTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, 2003

400I0227

HOUSE TAXATION COMMITTEE ENGROSSED NO. **HB 1036** - 01/23/2003

Introduced by: The Committee on Taxation at the request of the Department of Revenue

1 FOR AN ACT ENTITLED, An Act to revise certain dates pertaining to references to the
2 Internal Revenue Code.

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

4 Section 1. That § 10-43-10.1 be amended to read as follows:

5 10-43-10.1. Net income, in the case of a financial institution, is taxable income as defined in
6 the Internal Revenue Code, as amended, and in effect on January 1, ~~2002~~ 2003, and reportable
7 for federal income tax purposes for the taxable year, but subject to the adjustments as provided
8 in §§ 10-43-10.2 and 10-43-10.3. If a financial institution has elected to file its federal tax return
9 pursuant to 26 USC § 1362(a), as amended, and in effect on January 1, 1997, net income shall
10 be computed in the same manner and in the same amount as if that institution had continued to
11 file its federal tax return without making the election and the financial institution shall continue
12 to be treated as a separate corporation for the purposes of this chapter.

13 Section 2. That chapter 10-43 be amended by adding thereto a NEW SECTION to read as
14 follows:

15 The amendments to the Internal Revenue Code made pursuant to Public Law 107-147 (The



1 Job Creation and Workers Assistance Act of 2002), which was signed into law March 9, 2002,
2 shall apply to each return made pursuant to chapter 10-43 whose original due date for filing is
3 on or after January 1, 2002.

4 Section 3. That subdivision (6) of § 10-18A-1 be amended to read as follows:

5 (6) "Income," the sum of adjusted gross income as defined in the United States Internal
6 Revenue Code, as amended, and in effect on January 1, ~~2002~~ 2003, and all nontaxable
7 income, including but not limited to the amount of capital gains excluded from
8 adjusted gross income, alimony, support money, nontaxable strike benefits, cash
9 public assistance and relief, not including relief granted under this chapter, the gross
10 amount of any pension or annuity, including Railroad Retirement Act benefits and
11 veterans' disability pensions, all payments received under the federal social security
12 and state unemployment insurance laws, nontaxable interest received from the federal
13 government or any of its instrumentalities, workers' compensation, and the gross
14 amount of loss of time insurance, but not including gifts from nongovernmental
15 sources, food stamps, or surplus foods, or other relief in kind provided by a public
16 agency less real estate taxes payable on the applicant's principal residence for the year
17 in which application is made. However, the reduction in the applicant's income for real
18 estate taxes payable may not exceed four hundred dollars;

19 Section 4. That subdivision (5) of § 10-45A-1 be amended to read as follows:

20 (5) "Income," the sum of adjusted gross income as defined in the United States Internal
21 Revenue Code, as amended, and in effect on January 1, ~~2002~~ 2003, and all nontaxable
22 income, including but not limited to the amount of capital gains excluded from
23 adjusted gross income, alimony, support money, nontaxable strike benefits, cash
24 public assistance and relief, not including relief granted under this chapter, the gross

1 amount of any pension or annuity, including Railroad Retirement Act benefits and
2 veterans' disability pensions, all payments received under the federal social security
3 and state unemployment insurance laws, nontaxable interest received from the federal
4 government or any of its instrumentalities, workers' compensation, and the gross
5 amount of loss of time insurance, but not including gifts from nongovernmental
6 sources, food stamps, or surplus foods, or other relief in kind provided by a public
7 agency, less real estate taxes payable or ten percent of rent paid on the applicant's
8 principal residence for the year in which application is made. However, the reduction
9 in the individual's income may not exceed four hundred dollars;

10 Section 5. That subdivision (7) of § 10-40A-1 be amended to read as follows:

11 (7) "Internal Revenue Code," the federal Internal Revenue Code, as amended, and in
12 effect on January 1, ~~2002~~ 2003;

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