

State of South Dakota

SEVENTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, 2003

400I0725

HOUSE BILL NO. 1235

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

1 FOR AN ACT ENTITLED, An Act to provide for the taxation of wind energy property in South
2 Dakota.

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

4 Section 1. That chapter 10-4 be amended by adding thereto a NEW SECTION to read as
5 follows:

6 Any wind energy property of a commercial wind power production facility shall be assessed
7 under the provisions of this chapter.

8 Section 2. That chapter 10-4 be amended by adding thereto a NEW SECTION to read as
9 follows:

10 All real property used or constructed for the purpose of producing electricity for commercial
11 purposes that utilizes the wind as an energy source is classified for tax purposes as wind energy
12 property and shall be assessed and taxed in the same manner as other real property and shall be
13 locally assessed by the county director of equalization pursuant to § 10-3-16. For the purposes
14 of this Act, real property includes the base, foundation, tower, and substations. Real property
15 does not include the wind turbine or blades attached thereto.

16 Section 3. That chapter 10-4 be amended by adding thereto a NEW SECTION to read as



1 follows:

2 Wind energy property is not subject to any discretionary formulas authorized by Title 10.

3 Section 4. That § 49-34A-81 be repealed.

4 ~~49-34A-81. Rural electric cooperatives developing commercial small power production~~
5 ~~facilities utilizing renewable energy are not subject to tax pursuant to § 10-35-1.2 but are subject~~
6 ~~to a gross receipts tax as defined in § 10-36-6.~~

7 Section 5. That § 10-46C-2 be repealed.

8 ~~10-46C-2. Rural electric cooperatives developing commercial power production facilities~~
9 ~~utilizing renewable energy are not subject to tax pursuant to § 10-35-1.2 but are subject to a~~
10 ~~gross receipts tax as defined in § 10-36-6.~~