

State of South Dakota

SEVENTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, 2003

626I0622

SENATE BILL NO. 116

Introduced by: Senators McCracken and Knudson and Representatives Peterson (Bill) and Wick

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding the tax on certain
2 telecommunication services.

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

4 Section 1. That § 10-45-6.1 be amended to read as follows:

5 10-45-6.1. ~~Except as provided in § 10-45-6.2, there~~ There is hereby imposed ~~on amounts~~
6 ~~paid for local telephone services, toll telephone services, and teletypewriter services, a tax of four~~
7 ~~percent of the amount so paid~~ a tax of four percent on the charges rendered for all intrastate
8 telecommunications services. The taxes imposed by this section shall be paid by the person
9 paying for the services. ~~If a bill is rendered the taxpayer for local telephone service or toll~~
10 ~~telephone service, the amount on which the tax with respect to such services shall be based shall~~
11 ~~be the sum of all charges for such services included in the bill; except that if a person who~~
12 ~~renders the bill groups individual items for purposes of rendering the bill and computing the tax,~~
13 ~~then the amount on which the tax for each such group shall be based shall be the sum of all items~~
14 ~~within that group, and the tax on the remaining items not included in any such group shall be~~
15 ~~based on the charge for each item separately.~~ In the case of a bundled transaction of



1 telecommunications services, if the charges are attributable to services that are taxable and
2 services that are nontaxable, the portion of the price attributable to the nontaxable services shall
3 be subject to tax unless the provider can reasonably identify such portion from its books and
4 records kept in the regular course of business for other purposes. If the tax imposed by this
5 section with respect to toll telephone service is paid by inserting coins in coin operated
6 telephones, the tax shall be computed to the nearest multiple of five cents, except that, where the
7 tax is midway between multiples of five cents, the next higher multiple shall apply. The tax so
8 paid shall be remitted at the same time as the sales tax imposed by this chapter.