

AN ACT

ENTITLED, An Act to revise the conditions for increasing the property tax levy in certain unorganized townships.

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

Section 1. That § 10-13-35 be amended to read as follows:

10-13-35. This section does not apply to school districts. For taxes payable in 1997, and each year thereafter, the total amount of revenue payable from taxes on real property within a taxing district, excluding the levy pursuant to § 10-13-36, may increase no more than the lesser of three percent or the index factor, as defined in § 10-13-38, over the amount of revenue payable from taxes on real property in the preceding year, excluding the amount of taxes levied pursuant to § 10-13-36. After applying the index factor, a taxing district may increase the revenue payable from taxes on real property above the limitations provided by this section by the percentage increase of value resulting from any improvements or change in use of real property, annexation, minor boundary changes, and any adjustments in taxation of property separately classified and subject to statutory adjustments and reductions under chapters 10-4, 10-6, 10-6A, and 10-6B, except § 10-6-31.4, only if assessed the same as property of equal value. A taxing district may increase the revenue it receives from taxes on real property above the limit provided by this section for taxes levied to pay the principal, interest, and redemption charges on any bonds issued after January 1, 1997, which are subject to referendum, scheduled payment increases on bonds and for a levy directed by the order of a court for the purpose of paying a judgment against such taxing district. Any taxing district created after the effective date of this section is exempt from the limitation provided by this section for a period of two years immediately following its creation.

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

If a township is abolished pursuant to § 8-1-23 and there was previously no unorganized territory in the county, the county levy for maintaining secondary roads in such area as required by § 31-12-26 and providing fire protection pursuant to chapter 8-2 are exempt from the limitation provided by § 10-13-35 for a period of two years immediately following the township's abolishment.

Section 3. That chapter 10-13 be amended by adding thereto a NEW SECTION to read as follows:

Any county which prior to January 1, 1996, contained no unorganized territory and as of July 1, 2004, contains unorganized territory as a result of the dissolution of one or more townships pursuant to § 8-1-23, is, for such unorganized territory and taxes payable in 2005 and 2006, exempt from the tax limitation imposed by § 10-13-35 for the purpose of establishing an appropriate levy for secondary roads pursuant to § 31-12-26 and for fire protection pursuant to chapter 8-2.

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I certify that the attached Act
originated in the

SENATE as Bill No. 172

Secretary of the Senate
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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 172
File No. _____
Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor
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The attached Act is hereby
approved this _____ day of
_____, A.D., 20____

Governor

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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