

State of South Dakota

SEVENTY-NINTH SESSION
LEGISLATIVE ASSEMBLY, 2004

717J0071

SENATE BILL NO. 174

Introduced by: Senators Vitter, Albers, Bogue, Brown, Duniphan, McCracken, Olson (Ed),
Reedy, and Sutton (Dan) and Representatives Teupel, Cutler, Hennies,
Juhnke, LaRue, Lintz, McLaughlin, and Sebert

1 FOR AN ACT ENTITLED, An Act to permit municipalities to increase the municipal gross
2 receipts tax for purpose of funding the convention visitor's bureau and the promotion and
3 advertising of the city.

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

5 Section 1. That § 10-52A-2 be amended to read as follows:

6 10-52A-2. Any municipality may impose an additional municipal non-ad valorem tax at the
7 rate of one or two percent upon the gross receipts of all leases or rentals of hotel, motel,
8 campsites, or other lodging accommodations within the municipality for periods of less than
9 twenty-eight consecutive days, or sales of alcoholic beverages as defined in § 35-1-1, or
10 establishments where the public is invited to eat, dine, or purchase and carry out prepared food
11 for immediate consumption, or ticket sales or admissions to places of amusement, athletic, and
12 cultural events, or any combination thereof. The tax shall be levied for the purpose of land
13 acquisition, architectural fees, construction costs, payments for civic center, auditorium, or
14 athletic facility buildings, including the maintenance, staffing, and operations of such facilities
15 and the promotion and advertising of the city, its facilities, attractions, and activities.



1 If a municipality increases its rate above one percent, the revenue generated may only be
2 used to fund the convention visitor's bureau for the purpose of marketing and promotions for
3 conventions, events, and tourism throughout South Dakota. If there is no convention visitor's
4 bureau, such revenue may only be used by the chamber of commerce or other similar nonprofit
5 organization that provides for the promotion and marketing of the visitor industry. At least
6 fifteen percent of the revenue collected from tax rate above one percent shall be cooperatively
7 expended with the Department of Tourism and State Development or one of the four officially
8 recognized geographic tourism regions in South Dakota for the purpose of marketing and
9 promotion. If the revenue is cooperatively expended with a recognized geographic tourism
10 region, the revenue shall be expended to market and promote that region. The four regions are
11 southeast South Dakota tourism region, the glacial lakes and prairies tourism region, the great
12 lakes of South Dakota tourism region, and the Black Hills Badlands and lakes tourism region.
13 Any revenue cooperatively expended with the Department of Tourism and State Development
14 or one of the regions shall be used exclusively for tourism marketing and promotion.