

State of South Dakota

SEVENTY-NINTH SESSION
LEGISLATIVE ASSEMBLY, 2004

400J0222

SENATE BILL NO. 31

Introduced by: The Committee on Transportation at the request of the Department of
Revenue and Regulation

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding the taxing of soy oils
2 or other substances when blended to produce a motor fuel or special fuel blend.

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

4 Section 1. That § 10-47B-5 be amended to read as follows:

5 10-47B-5. A fuel excise tax is imposed on all motor fuel and special fuel that is removed
6 from a terminal in this state at the rack or used at the terminal. This tax is not imposed if the fuel
7 is withdrawn from a terminal for export by the consignee, if the consignee is specifically
8 licensed to export fuel from this state, into the state which is indicated as the destination state
9 on the bill of lading which was issued by the terminal operator for the fuel. This tax is not
10 imposed if the fuel removed is ethyl alcohol, soy oil, or other substance that must be blended
11 with another product to produce a motor fuel or special fuel blend which has been removed by
12 a licensed blender or supplier, for resale over a terminal rack, is invoiced separately from
13 gasoline, and is not sold as an ethanol blend or other type of blend. The tax imposed shall be at
14 the rate indicated in § 10-47B-4.

15 Section 2. That § 10-47B-6 be amended to read as follows:



1 10-47B-6. A fuel excise tax is imposed on all motor fuel or special fuel, except unblended
2 ethyl alcohol, soy oil, or other substance that must be blended with another product to produce
3 a motor fuel or special fuel blend imported into this state in the bulk cargo area of any motor
4 vehicle, vessel rail car, or trailer by any means other than through a terminal located in this state,
5 upon its entry into this state. The tax imposed shall be at the rate indicated in § 10-47B-4.

6 Section 3. That § 10-47B-9 be amended to read as follows:

7 10-47B-9. A fuel excise tax is imposed on unblended ethyl alcohol, soy oil, or other
8 substance that must be blended with another product to produce a motor fuel or special fuel
9 blend sold by an ethanol producer, supplier, importer, or blender unless the sale is made to a
10 licensed supplier for resale, to a licensed blender, or to a licensed exporter for export to another
11 state who is specifically licensed to export to that state. The tax imposed shall be at the rate set
12 for motor fuel in § 10-47B-4.

13 Section 4. That § 10-47B-10 be amended to read as follows:

14 10-47B-10. A fuel excise tax is imposed on all motor fuel or special fuel which has been
15 removed from a terminal in this state at the rack by a licensed exporter for which the bill of
16 lading issued for the fuel by the terminal operator indicates a destination state other than South
17 Dakota, and the fuel is later diverted by the exporter to a destination within this state for
18 off-loading or is transferred or sold to another person within this state prior to off-loading in any
19 destination state. This tax is not imposed if the fuel is ethyl alcohol, soy oil, or other substance
20 that must be blended with another product to produce a motor fuel or special fuel blend, the
21 exporter is also licensed as a blender or supplier, and the product is purchased and invoiced
22 separately from gasoline and not as an ethanol blend. The tax imposed shall be at the rate set
23 for motor fuel or special fuel in § 10-47B-4.