

State of South Dakota

EIGHTIETH SESSION
LEGISLATIVE ASSEMBLY, 2005

735L0537

HOUSE BILL NO. 1210

Introduced by: Representatives Davis, Brunner, Dykstra, Hargens, Jensen, Novstrup, and Weems and Senators Hansen (Tom), Duenwald, Hundstad, Lintz, McNenny, Peterson (Jim), and Schoenbeck

1 FOR AN ACT ENTITLED, An Act to exempt certain contract services from sales and use
2 taxes.

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

4 Section 1. That chapter 10-45 be amended by adding thereto a NEW SECTION to read as
5 follows:

6 There are specifically exempted from the provisions of this chapter and from the
7 computation of the tax imposed by it, gross receipts from management, specialist, billing,
8 bookkeeping, administrative, and related services provided to a local cooperative by a regional
9 cooperative, or any cooperative or limited liability company which is wholly or in part owned
10 by the cooperative or limited liability company receiving such services. If the such cooperative
11 or limited liability is owned in part, the cooperative or limited liability company shall own more
12 than fifty percent of such cooperative or limited liability receiving such services to be qualified
13 for the exemption provided by this section.

14 Section 2. That chapter 10-46 be amended by adding thereto a NEW SECTION to read as
15 follows:



1 There are specifically exempted from the provisions of this chapter and from the
2 computation of the tax imposed by it, gross receipts from management, specialist, billing,
3 bookkeeping, administrative, and related services provided to a local cooperative by a regional
4 cooperative, or any cooperative or limited liability company which is wholly or in part owned
5 by the cooperative or limited liability company receiving such services. If the such cooperative
6 or limited liability is owned in part, the cooperative or limited liability company shall own more
7 than fifty percent of such cooperative or limited liability receiving such services to be qualified
8 for the exemption provided by this section.