

# State of South Dakota

EIGHTY-FIRST SESSION  
LEGISLATIVE ASSEMBLY, 2006

400M0233

## HOUSE BILL NO. 1047

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

1 FOR AN ACT ENTITLED, An Act to revise certain sales and use tax provisions related to  
2 products and substances associated with the application of pesticides and to clarify the  
3 definition of pesticides.

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

5 Section 1. That § 10-45-16.2 be amended to read as follows:

6 10-45-16.2. There are specifically exempted from the tax imposed by this chapter, gross  
7 receipts from the rental of devices primarily used to apply fertilizers; and pesticides, ~~and~~  
8 ~~herbicides and insecticides~~ as defined in § 38-20A-1, for agricultural purposes, if sales tax or  
9 use tax was paid upon the original purchase of the device.

10 Section 2. That § 10-46-17.5 be amended to read as follows:

11 10-46-17.5. The use in this state of ~~insecticides, herbicides, pesticides, rodenticides, and~~  
12 ~~fumigants~~ as defined in § 38-20A-1 to be used exclusively for agricultural purposes is  
13 specifically exempted from the tax imposed by this chapter. Any product or substance to be used  
14 in conjunction with the application or use of pesticides for agricultural purposes is also exempt.  
15 These products or substances include adjuvants, surfactants, ammonium sulfate, inoculants, drift



1 retardants, water conditioners, seed treatments, foam markers, and foam dyes. Equipment for  
2 the application of pesticides and related products and substances is not exempt. The tax imposed  
3 by this chapter on endoparasiticides and ectoparasiticides shall be deposited in the veterinary  
4 student tuition and animal disease research and diagnostic laboratory fund to be used for  
5 veterinary student tuition grants and the operations and activities conducted by the State Animal  
6 Disease Research and Diagnostic Laboratory established in § 13-58-13.

7 Section 3. That chapter 10-46 be amended by adding thereto a NEW SECTION to read as  
8 follows:

9 There is specifically exempted from the provisions of this chapter and from the computation  
10 of the amount of tax imposed by it, the rental of devices primarily used to apply fertilizers and  
11 pesticides, as defined in § 38-20A-1, for agricultural purposes.