

# State of South Dakota

EIGHTY-FIRST SESSION  
LEGISLATIVE ASSEMBLY, 2006

339M0634

## HOUSE BILL NO. 1200

Introduced by: Representatives Lange, Bradford, Dennert, Glover, Haley, Jensen, McCoy, Miles, Thompson, and Van Norman and Senators Kooistra, Kloucek, Napoli, and Two Bulls

1 FOR AN ACT ENTITLED, An Act to revise the bank franchise tax.

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

3 Section 1. That § 10-43-4 be amended to read as follows:

4 10-43-4. The liability for the tax imposed by §§ 10-43-2 and 10-43-2.1 shall arise upon the  
5 first day of each tax year and shall be based upon the net income assignable to this state at the  
6 rate of six percent on net income of ~~four~~ five hundred million dollars or less; at the rate of five  
7 percent on net income exceeding ~~four~~ five hundred million dollars but equal to or less than ~~four~~  
8 five hundred twenty-five million dollars; at the rate of four percent on the net income exceeding  
9 ~~four~~ five hundred twenty-five million dollars but equal to or less than ~~four~~ five hundred fifty  
10 million dollars; at the rate of three percent on the net income exceeding ~~four~~ five hundred fifty  
11 million dollars but equal to or less than ~~four~~ five hundred seventy-five million dollars; at the rate  
12 of two percent on the net income exceeding ~~four~~ five hundred seventy-five million dollars but  
13 equal to or less than ~~five~~ six hundred million dollars; at the rate of one percent on the net income  
14 exceeding ~~five~~ six hundred million dollars ~~but equal to or less than six hundred million dollars;~~  
15 ~~at the rate of one-half of one percent on the net income exceeding six hundred million dollars~~



1 ~~but equal to or less than one billion two hundred million dollars; and at the rate of one-quarter~~  
2 ~~of one percent on the net income exceeding one billion two hundred million dollars.~~ The tax  
3 payable under this section may be no less than two hundred dollars for each authorized location  
4 at which the financial institution subject to taxation under § 10-43-2 regularly conducts  
5 business.