

State of South Dakota

EIGHTY-FIRST SESSION
LEGISLATIVE ASSEMBLY, 2006

924M0536

SENATE BILL NO. 97

Introduced by: Senators Moore, Hanson (Gary), Knudson, Lintz, and Olson (Ed) and
Representatives Hunhoff, Buckingham, Halverson, Hargens, Krebs, Michels,
and Putnam

1 FOR AN ACT ENTITLED, An Act to allow the governing body of taxing districts to
2 automatically refer a property tax opt out to the voters.

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

4 Section 1. That § 10-13-36 be amended to read as follows:

5 10-13-36. The governing body of a taxing district may exceed the limit pursuant to § 10-13-
6 35 through the imposition of an excess tax levy. The governing body of a taxing district may
7 impose an excess tax levy with an affirmative two-thirds vote of the governing body on or
8 before July fifteenth of the year prior to the year the taxes are payable. On any excess tax levy
9 approved after July 1, 2002, the governing body of the taxing district shall specify in the
10 resolution the year or number of years the excess tax levy will be applied.

11 The requirements for an announcement made pursuant to this section are as follows:

- 12 (1) The decision of the governing body to originally impose or subsequently increase an
13 excess tax levy shall be published within ten days of the decision;
- 14 (2) Publication shall be made at least twice in the legal newspaper designated by the
15 governing body pursuant to law, with no fewer than five days between publication



1 dates, before the opt out takes effect;

2 (3) The announcement shall be at least three newspaper columns in width and four
3 inches in length or at least one-sixth of a page in size, whichever size is greater;

4 (4) The announcement shall be headed with the following statement in a typeface no less
5 than eighteen point type: "ATTENTION TAXPAYERS: NOTICE OF PROPERTY
6 TAX INCREASE OF \$(fill in amount)." The remainder of the announcement shall
7 consist of a reproduction of the "Resolution for Opt Out," including the amount that
8 property taxes will be increased annually by the proposed opt out and a statement of
9 the right to refer the decision of the board to a vote of the people as provided in this
10 section. The secretary of revenue and regulation, in rules promulgated pursuant to
11 chapter 1-26, shall prescribe a uniform form to be used by the taxing district for
12 notification of taxpayers as required by this section.

13 However, the requirements of subdivisions (3) and (4) shall be waived if:

14 (A) The opt out is for less than fifteen thousand dollars; or

15 (B) A copy of the resolution for opt out is mailed to every property taxpayer in the local
16 governmental unit, by first class mail or bulk mail, within twenty days of the decision
17 to opt out; and

18 (C) A copy of the resolution for opt out is printed in each official newspaper in the local
19 governmental unit's boundaries.

20 For the purposes of subsections (A), (B), and (C), the first publication is not deemed to have
21 occurred until three days after the mailing is sent or the resolution is delivered to the official
22 newspaper.

23 The opt out decision may be referred to a vote of the people upon a resolution of the
24 governing body of the taxing district or by a petition signed by at least five percent of the

1 registered voters in the taxing district and filed with the respective governing body within
2 twenty days of the first publication of the decision. The referendum election shall be held on or
3 before October first preceding the year the taxes are payable. If the opt out is for the purpose of
4 increasing the secondary road levy pursuant to § 31-12-27, only the registered voters within the
5 area of the county not included in any municipality, organized civil township, or county road
6 district organized pursuant to chapter 31-12 may petition or vote on the referred decision. The
7 taxing districts may not exceed the levy limits provided in chapter 10-12 except for the
8 provisions in § 10-12-36.