

State of South Dakota

EIGHTY-FIRST SESSION
LEGISLATIVE ASSEMBLY, 2006

295M0437

HOUSE ENGROSSED NO. **SB 98** - 02/23/2006

This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.

Introduced by: Senators Moore, McCracken, and Schoenbeck and Representatives Rave, Cutler, Gillespie, Hargens, Hennies, O'Brien, and Rounds

1 FOR AN ACT ENTITLED, An Act to limit the transfer or renewal of certain alcohol beverage
2 licenses.

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

4 Section 1. That § 35-2-7 be amended to read as follows:

5 35-2-7. Any license granted under this title may be transferred to a new location or to
6 another person. If the transfer is to another person, the licensee ~~must~~ shall show in writing,
7 under oath, that ~~he~~ the licensee has made a bulk sale of the business operated under the license.
8 The bulk sale may be conditioned upon the granting of a transfer of the license. The transferee
9 ~~must~~ shall make an application exactly as if an original applicant, and the application shall take
10 the same course and be acted upon as if an original application. No transfer of any license to
11 another person may be granted until all ~~municipal and state sales~~ taxes incurred by the transferor
12 as a result of the operation of the licensed premises ~~have been paid and that all property taxes~~
13 ~~levied on such premises which are the liability of the licensee, including municipal and state~~
14 ~~sales and use taxes, unemployment insurance tax, or any other state tax,~~ are paid or are not
15 delinquent. No transfer of any license to another person may be granted until all property taxes



1 which are the liability of the licensee levied on the licensed premises are paid or are not
2 delinquent. No transfer of any license may be granted from an Indian tribe operating in Indian
3 country controlled by the Indian tribe or from an enrolled tribal member operating in Indian
4 country controlled by the enrolled tribal member's tribe until all use tax incurred as a result of
5 the operation of the licensed premises by nonmembers, and any other state tax, has been
6 remitted or is not delinquent. If the transfer is to a new location, the licensee ~~must~~ shall make
7 application showing all the relevant facts ~~as to such~~ for the new location, ~~which.~~ The application
8 shall take the same course and be acted upon as if an original application. ~~When~~ If a license is
9 transferred, a fee of one hundred fifty dollars is required to continue the unexpired portion of
10 the license.

11 Section 2. That § 35-2-24 be amended to read as follows:

12 35-2-24. No license granted under this title may be reissued until all ~~municipal and state~~
13 ~~sales and use tax~~ taxes incurred by the licensee as a result of the operation of the licensed
14 premises ~~have been paid and that all property taxes which are the liability of the licensee levied~~
15 ~~on such,~~ including municipal and state sales and use taxes, unemployment insurance tax, or any
16 other state tax, are paid or are not delinquent. No license granted under this title may be reissued
17 until all property taxes which are the liability of the licensee levied on the licensed premises are
18 paid or are not delinquent. No license granted under this title may be reissued to an Indian tribe
19 operating in Indian country controlled by the Indian tribe or to an enrolled tribal member
20 operating in Indian country controlled by the enrolled tribal member's tribe until the Indian tribe
21 or enrolled tribal member remits to the Department of Revenue and Regulation all use tax
22 incurred by nonmembers as a result of the operation of the licensed premises, and any other state
23 tax has been remitted or is not delinquent.

24 Section 3. That § 35-2-25 be amended to read as follows:

1 35-2-25. No license granted pursuant to subdivisions 35-4-2(3), (4), (6), (12), (13), (16), and
2 (17) may be issued unless the applicant has first obtained a sales tax license pursuant to chapter
3 10-45, or, if applicable, a use tax license pursuant to chapter 10-46. The provisions of this
4 section do not apply to a municipality which has procured a retail alcoholic beverage license
5 pursuant to chapter 35-3.

6 Section 4. The provisions of this Act are effective July 1, 2007.