



## 2024 South Dakota Legislature

# Senate Bill 32

Introduced by: **Senator Novstrup**

1 **An Act to provide for the distribution of tax revenue from certain gross receipts**  
 2 **occurring on fairgrounds.**

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

4 **Section 1. That chapter 10-45 be amended with a NEW SECTION:**

5 Any person filing a return and remittance in accordance with the provisions of §  
 6 10-45-27.3 must also report the amount of tax remitted in the previous monthly period  
 7 on gross receipts from all sales of tangible personal property and on gross receipts from  
 8 services rendered, taxable under this chapter, occurring on county fairgrounds during a  
 9 county fair.

10 If a county abided by the provisions of section 2 of this Act in the previous fiscal  
 11 year, the secretary of revenue must deposit the amount of tax remitted on gross receipts  
 12 from all sales of tangible personal property and on gross receipts from services rendered,  
 13 pursuant to § 10-45-27.3, occurring on a county fairground during a county fair into a  
 14 restricted county fairground fund of that county to be used for purposes set forth in §§ 7-  
 15 27-1, 7-27-1.1, 7-27-3, and 7-27-17.

16 **Section 2. That chapter 7-27 be amended with a NEW SECTION:**

17 Each fiscal year, to be eligible to receive gross receipts tax revenue pursuant to  
 18 section 1 of this Act, a county must make expenditures from the county general fund for  
 19 purposes set forth in §§ 7-27-1, 7-27-1.1, 7-27-3, and 7-27-17, in an amount totaling no  
 20 less than the minimum amount for the county.

21 For purposes of this section, the term "base year amount" is the average over the  
 22 five fiscal years immediately preceding the 2024 fiscal year, after removing the highest  
 23 and lowest values of the five fiscal years, of all expenditures from a county general fund  
 24 for purposes set forth in §§ 7-27-1, 7-27-1.1, 7-27-3, and 7-27-17.

1                    For purposes of this section, the term "minimum amount" is the base year amount  
2                    after being annually increased by the lesser of three percent or the index factor, as defined  
3                    in § 10-13-38.