

State of South Dakota

EIGHTY-FIFTH SESSION
LEGISLATIVE ASSEMBLY, 2010

942R0349

HOUSE BILL NO. 1094

Introduced by: Representatives Solum, Kirschman, and Olson (Ryan) and Senators Nelson, Hansen (Tom), and Maher

1 FOR AN ACT ENTITLED, An Act to subject the gross receipts of contractors engaged in realty
2 improvement contracts for certain municipal utilities to the contractor's excise tax instead
3 of the alternative contractor's excise tax and to declare an emergency.

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

5 Section 1. That § 10-46A-1.2 be amended to read as follows:

6 10-46A-1.2. The tax imposed upon contractors performing realty improvement contracts for
7 those persons subject to tax under chapter 10-28, 10-33, 10-34, 10-35, 10-36 or 10-36A or any
8 municipal ~~utility~~ or telephone company subject to chapter ~~9-39~~ or 9-41 or any rural water system
9 is not subject to this chapter and the contracts are subject to the contractors' excise tax imposed
10 by chapter 10-46B. Notwithstanding the provisions of this section, the tax imposed by this
11 chapter applies to the construction of a power generation facility as defined by § 10-45B-1.

12 Section 2. That § 10-46B-1 be amended to read as follows:

13 10-46B-1. There is imposed an excise tax upon the gross receipts of all prime contractors
14 and subcontractors engaged in realty improvement contracts for those persons subject to tax
15 under chapter 10-28, 10-33, 10-34, 10-35, 10-36, or 10-36A or any municipal ~~utility~~ or



1 telephone company subject to chapter ~~9-39~~, 9-41, ~~9-47~~, or ~~9-48~~ or any rural water system, at the
2 rate of two percent. Notwithstanding the provisions of this section, the tax imposed by this
3 chapter does not apply to the construction of a power generation facility as defined by § 10-45B-
4 1.

5 Section 3. Whereas, this Act is necessary for the support of the state government and its
6 existing public institutions, an emergency is hereby declared to exist, and this Act shall be in
7 full force and effect from and after its passage and approval.