



2021 South Dakota Legislature

House Bill 1099

Introduced by: **Representative Chaffee**

1 **An Act to revise the property tax exemption amount for certain agricultural**
 2 **property.**

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

4 **Section 1.** That § 10-4-13.1 be AMENDED.

5 **10-4-13.1. Agricultural structures specially classified--Amount exempt from**
 6 **taxation--Relative defined.**

7 Buildings and structures, other than normally occupied dwellings on agricultural
 8 land and automobile garages or portions of buildings used for that purpose, ~~which are~~
 9 used exclusively for agricultural purposes and situated on agricultural land, ~~are~~ are hereby
 10 specifically classified for tax purposes as agricultural property. ~~For~~ One hundred thousand
 11 dollars of the full and true value of all buildings located upon each building site and used
 12 in connection with the taxpayer's agricultural pursuits is exempt if there is a dwelling
 13 ~~which that~~ is occupied by an owner or relative of an owner or a beneficiary of a trust or a
 14 trustee for at least six months of a year but not necessarily on the assessment date. ~~Such~~
 15 The dwelling shall be located on agricultural land and classified as nonagricultural property
 16 under § 10-6-31. The application requirement in § 10-4-15 does not apply to this section.
 17 If an owner is a corporation, trust, or a partnership, each stockholder, member,
 18 beneficiary, trustee, or partner who resides on ~~such the~~ property shall be an owner
 19 pursuant to this section. For the purposes of this section, a relative is a person who is
 20 related within the third degree of kinship. However, ~~no a~~ a building site may not receive
 21 more than ~~one ten a one-hundred-thousand-dollar~~ one exemption pursuant to this section. For
 22 the purposes of this section, a manufactured home or a mobile home is a dwelling.

23 Beginning on January 1, 2023, and again on January first of each year thereafter,
 24 the exemption value shall be adjusted by the percentage change in the cost of living. The
 25 change in the cost of living shall be measured by the percentage change as of August of
 26 the immediately preceding year over the level as measured as of August of the previous

1 year of the Consumer Price Index (all urban consumers, U.S. city average for all items)
2 as published by the U.S. Department of Labor, with the amount of the change, if any,
3 rounded to the nearest dollar. The secretary of the Department of Revenue shall publish
4 the adjusted exemption value for the forthcoming year on the department's internet
5 website by October fifteenth of each year, and the adjusted exemption value becomes
6 effective on January first of the following year.