

State of South Dakota

EIGHTY-SIXTH SESSION
LEGISLATIVE ASSEMBLY, 2011

635S0526

HOUSE BILL NO. 1215

Introduced by: Representatives Sigdestad, Abdallah, Dennert, Schrempp, Van Gerpen, White, and Wismer and Senators Tidemann, Frerichs, Fryslie, Hansen (Tom), Hundstad, Nygaard, Putnam, and Vehle

1 FOR AN ACT ENTITLED, An Act to repeal certain refund provisions of the motor fuel tax for
2 certain nonhighway agricultural use of motor fuels and to provide for the distribution of
3 such motor fuel tax.

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

5 Section 1. That § 10-47B-119 be repealed.

6 ~~— 10-47B-119. Any motor fuel consumer may apply for and obtain a refund of fuel taxes~~
7 ~~imposed and paid to this state, for motor fuel purchased and used by consumers in motor~~
8 ~~vehicles, recreation vehicles, and farm equipment used for nonhighway agricultural purposes~~
9 ~~or used in motor vehicles or equipment for nonhighway commercial uses. The portion of this~~
10 ~~refund attributed to nonhighway use of motor vehicles shall be calculated by multiplying the~~
11 ~~motor vehicle's average miles per gallon during the claim period times the number of~~
12 ~~nonhighway miles the vehicle was operated. The average miles per gallon and nonhighway~~
13 ~~miles shall be supported by actual individual vehicle fuel disbursement records and odometer~~
14 ~~readings. The portion of this refund attributed to nonhighway machinery and equipment shall~~



1 ~~be supported by individual vehicle fuel disbursement records. Three cents per gallon of each tax~~
2 ~~refund shall be deposited in the value added agriculture subfund created in § 1-16G-25. For the~~
3 ~~purposes of this section, the refund applies to any purchases of motor fuel made after July 1,~~
4 ~~1999.~~

5 Section 2. That § 10-47B-149 be amended to read as follows:

6 10-47B-149. At the beginning of each month, the secretary shall make adjustments to the
7 motor fuel tax fund balance in the following manner:

8 (1) Each July transfer an amount to the snowmobile trails' fund equal to the product of
9 multiplying the number of licensed snowmobiles as of July first, times one hundred
10 twenty-five gallons, times the rate of tax provided for motor fuel under this chapter;

11 (2) ~~Transfer~~ Each July transfer from the amount of motor fuel tax collected from the
12 motor fuel used for nonhighway purposes to the motor fuel tax refund fund an
13 amount to pay motor fuel tax refunds for the current month value added agriculture
14 subfund created in § 1-16G-25 seventy-five thousand dollars;

15 (3) Each July transfer from the amount of motor fuel tax collected from the motor fuel
16 used for nonhighway purposes to the Department of Agriculture seventy-five
17 thousand dollars to be used for a grant to the Northern Crops Institute;

18 (4) Transfer to the motor fuel tax administration account two percent of the deposits
19 made to the motor fuel tax fund during the preceding month to cover the expenses
20 incurred in administering all motor fuel and special fuel tax laws of this state. On or
21 about August first of each year, the preceding year's remaining motor fuel tax
22 administration account balance, less an amount to provide cash flow within the
23 account, shall be transferred to the state highway fund. The remaining balance is to
24 be calculated by subtracting from the total of monthly deposits, the amount of

1 corresponding expenses. The expense of administering the chapters relating to motor
2 and special fuel taxation shall be paid out of appropriations made by the Legislature;

3 ~~(4)(5)~~ Transfer Each July transfer from the amount of motor fuel tax collected from the
4 motor fuel used for nonhighway purposes to the coordinated natural resources
5 conservation fund ~~an amount equal to thirty-five percent of the claimed refunds~~
6 ~~authorized by § 10-47B-119 for the preceding month, not to exceed a cumulative~~
7 ~~total of one million five hundred thousand dollars in any single fiscal year~~ three
8 hundred fifty thousand dollars;

9 ~~(5)(6)~~ Each July transfer to the parks and recreation fund an amount equal to the product of
10 multiplying the number of licensed motorized boats as of the previous December
11 thirty-first, times one hundred forty gallons, times the rate of tax provided for motor
12 fuels under this chapter;

13 ~~(6)(7)~~ Each July distribute to counties and townships as provided in section 3 of this Act
14 one million dollars;

15 (8) Transfer to the member jurisdictions taxes collected under the provisions of the
16 international fuel tax agreement; and

17 ~~(7)(9)~~ Transfer the remaining cash balance to the state highway fund.

18 Section 3. That chapter 10-47B be amended by adding thereto a NEW SECTION to read as
19 follows:

20 The amount to be distributed to counties and townships pursuant to section 2 of this Act
21 shall be distributed among the counties, pro rata, twenty-five percent according to truck
22 registrations, twenty-five percent according to population, and fifty percent according to total
23 road mileage. Each county shall distribute sixty percent of the amount received pursuant to this
24 section to the county road and bridge fund and forty percent to the special highway fund to be

1 distributed pursuant to the provisions of subdivision 32-11-4.1(2) and § 32-11-6.

2 Section 4. That § 32-11-6 be amended to read as follows:

3 32-11-6. The amount set aside to the various unorganized and organized civil townships
4 pursuant to § 32-11-4.1 and section 3 of this Act shall be apportioned among the townships
5 according to the number of miles of maintained township roads within the townships. The
6 county treasurer shall distribute ~~such~~ the money to each organized township within the county
7 within thirty days of apportionment. However, an organized township may request in writing
8 that ~~such~~ the money remain in the custody of the county treasurer and shall be paid out only on
9 warrants issued by the county auditor in payment of claims for the construction, reconstruction,
10 or maintenance of roads and highways within the township highway system.