

State of South Dakota

NINETY-FOURTH SESSION
LEGISLATIVE ASSEMBLY, 2019

265B0765

SENATE BILL NO. 160

Introduced by: Senators Nesiba, Foster, Heinert, Kennedy, and Wismer and Representatives Ring, Saba, and Smith (Jamie)

1 FOR AN ACT ENTITLED, An Act to provide for calculations of sales tax revenues from
2 sellers located outside of the state.

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

4 Section 1. That § 10-64-9 be amended to read:

5 10-64-9. ~~If the state is able to enforce the obligation to collect and remit sales tax on remote~~
6 ~~sellers who deliver tangible personal property, products transferred electronically, or services~~
7 ~~directly to the citizens of South Dakota, the additional net revenue from such obligation shall~~
8 ~~be used to reduce the rate of certain taxes. The rate of tax imposed by §§ 10-45-2, 10-45-5, 10-~~
9 ~~45-5.3, 10-45-6, 10-45-6.1, 10-45-6.2, 10-45-8, 10-45-71, 10-46-2.1, 10-46-2.2, 10-46-58, 10-~~
10 ~~46-69, 10-46-69.1, 10-46-69.2, 10-46E-1, and 10-58-1 shall be reduced by one-tenth percent on~~
11 ~~July first following the calendar year for which each additional twenty million dollar increment~~
12 ~~of net revenue is collected and remitted by such remote sellers. However, the rate of tax~~
13 ~~imposed by §§ 10-45-2, 10-45-5, 10-45-5.3, 10-45-6, 10-45-6.1, 10-45-6.2, 10-45-8, 10-45-71,~~
14 ~~10-46-2.1, 10-46-2.2, 10-46-58, 10-46-69, 10-46-69.1, 10-46-69.2, 10-46E-1, and 10-58-1 may~~
15 ~~not be reduced below four percent pursuant to the provisions of this section. The Department~~



1 of Revenue shall prepare and submit to the Joint Committee on Appropriations, no later than
2 the twenty-first legislative day, calculations of actual revenue generated during the immediately
3 preceding calendar year under §§ 10-64-2 and 10-65-5. The calculation of revenue generated
4 under §§ 10-64-2 and 10-65-5 may not include any revenue generated prior to November 1,
5 2018. If the revenue generated in a calendar year exceeds the revenue generated in the
6 immediately preceding calendar year by at least twenty million dollars, the committee may
7 introduce legislation to reduce the rate of tax on food under §§ 10-45-2, 10-45-5, 10-45-5.3, 10-
8 45-6, 10-45-6.1, 10-45-6.2, 10-45-8, 10-45-71, 10-46-2.1, 10-46-2.2, 10-46-58, 10-46-69, 10-
9 46-69.1, 10-46.69.2, 10-46E-1, and 10-58-1 by one percent for each increment of twenty million
10 dollars.