

State of South Dakota

EIGHTY-SIXTH SESSION
LEGISLATIVE ASSEMBLY, 2011

903S0707

SENATE BILL NO. 167

Introduced by: Senators Nygaard, Adelstein, Begalka, and Johnston and Representatives Bolin, Dryden, Elliott, Killer, and Nelson (Stace)

1 FOR AN ACT ENTITLED, An Act to repeal certain sales tax exemptions for membership
2 organizations.

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

4 Section 1. That § 10-45-13.1 be repealed.

5 ~~10-45-13.1. Membership organizations, major group 86, as enumerated in the Standard~~
6 ~~Industrial Classification Manual, 1987, as prepared by the Statistical Policy Division of the~~
7 ~~Office of Management and Budget, Office of the President, are exempt from the tax imposed~~
8 ~~by this chapter on receipts from sales of services by them and their membership fees. This~~
9 ~~exemption does not apply to the tax imposed upon the gross receipts of sales of tangible~~
10 ~~personal property or any product transferred electronically by such organizations. This section~~
11 ~~does not exempt the gross receipts of a retailer which are the result of sales to organizations in~~
12 ~~major group 86 or exempt such organizations from payment of use tax on goods and services~~
13 ~~used in the conduct of their activities.~~

