



2023 South Dakota Legislature
House Bill 1109
ENROLLED

AN ACT

ENTITLED An Act to modify the occupation tax for business improvement districts.

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

Section 1. That § 9-55-7 be AMENDED:

9-55-7. Upon receiving a recommendation from the business improvement board, the governing body may create one or more business improvement districts by adopting a resolution of intent to establish one or more business improvement districts. The resolution must contain the following information:

- (1) A description of the boundaries of any proposed district;
- (2) The date, time, and place of a hearing to be held by the governing body to consider establishment of a district;
- (3) The proposed public facilities and improvements to be made or maintained within any proposed district;
- (4) The proposed or estimated costs for improvements, facilities and activities within any district, and the method by which revenue shall be raised. If a special assessment is proposed, the resolution must state the proposed method of assessment; and
- (5) That the method of raising revenue shall be fair and equitable.

In the use of a general occupation tax, the tax must be based primarily on the square footage of the owner's and user's place of business, or based on rooms rented by any lodging establishment to transient guests as defined in § 10-45-7. If the occupation tax is based on rooms rented by a lodging establishment, the tax must be imposed on the transient guest, and the tax may either be set at an amount not exceeding four dollars per occupied room per night, or at a rate not exceeding four percent of the rented room charge. If a lodging establishment does not charge a fee or rent for a room, no occupation tax may be imposed on the transient guest.

In the use of a special assessment, the assessment must be based upon the special benefit to the property within the business improvement district.

An Act to modify the occupation tax for business improvement districts.

I certify that the attached Act originated in
the:

House as Bill No. 1109

Received at this Executive Office
this _____ day of _____,
2023 at _____ M.

Chief Clerk

By _____
for the Governor

Speaker of the House

The attached Act is hereby
approved this _____ day of
_____, A.D., 2023

Attest:

Chief Clerk

Governor

STATE OF SOUTH DAKOTA,

ss.

Office of the Secretary of State

President of the Senate

Attest:

Filed _____, 2023
at _____ o'clock ___ M.

Secretary of the Senate

Secretary of State

House Bill No. 1109
File No. _____
Chapter No. _____

By _____
Asst. Secretary of State