

State of South Dakota

NINETIETH SESSION
LEGISLATIVE ASSEMBLY, 2015

587W0365

HOUSE BILL NO. 1115

Introduced by: Representatives Bolin, Hawks, Munsterman, Otten (Herman), and Schoenfish
and Senators Peterson (Jim), Hunhoff (Bernie), Parsley, and Tieszen

1 FOR AN ACT ENTITLED, An Act to increase the maximum property tax levy for the pension
2 fund of a school district.

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

4 Section 1. That § 13-10-6 be amended to read as follows:

5 13-10-6. For the purpose of continuing a fund for the payment of pensions to retired
6 employees of a school district that has established such system, the school district may levy an
7 annual tax not exceeding ~~thirty~~ thirty-five cents per thousand dollars of taxable valuation of the
8 school district for the current year. The levy may not be included in determining the tax levy
9 limitation of the school district provided by law. Moneys collected from the tax shall be kept
10 by the business manager in a special pension fund and may not be used for any other purpose
11 except upon discontinuance of the pension system by the school district, in which case any
12 unexpended balance shall be transferred to the general fund.

13 For taxes payable in 2011, the total amount of revenue payable from the levy provided in
14 this section may not increase more than the lesser of three percent or the index factor, as defined
15 in § 10-13-38, over the maximum amount of revenue that could have been generated for the



1 taxes payable in 2010. After applying the index factor, a school district may increase the revenue
2 payable from taxes on real property above the limitations provided by this section by the
3 percentage increase of value resulting from any improvements or change in use of real property,
4 annexation, minor boundary changes, and any adjustments in taxation of real property separately
5 classified and subject to statutory adjustments and reductions under chapters 10-4, 10-6, 10-6A,
6 and 10-6B, except § 10-6-31.4, only if assessed the same as property of equal value.

7 For taxes payable in 2012, 2013, 2014, and 2015, the total amount of revenue payable from
8 the levy provided in this section may not increase more than the lesser of three percent or the
9 index factor, as defined in § 10-13-38, over the maximum amount of revenue that could have
10 been generated for the taxes payable in 2010 plus any unused index factor from the previous
11 years. After applying the index factor, a school district may increase the revenue payable from
12 taxes on real property above the limitations provided by this section by the percentage increase
13 of value resulting from any improvements or change in use of real property, annexation, minor
14 boundary changes, and any adjustments in taxation of real property separately classified and
15 subject to statutory adjustments and reductions under chapters 10-4, 10-6, 10-6A, and 10-6B,
16 except § 10-6-31.4, only if assessed the same as property of equal value.

17 Any school district created or reorganized after January 1, 2009, is exempt from the
18 limitation provided by this section for a period of two years immediately following its creation.

19 For taxes payable in 2011, 2012, 2013, 2014, and 2015, the levy limitation of thirty cents
20 per thousand dollars of taxable valuation does not apply to any school district.