

# State of South Dakota

NINETY-THIRD SESSION  
LEGISLATIVE ASSEMBLY, 2018

774Z0247

## SENATE BILL NO. 1

Introduced by: Senators Maher, Haverly, and Monroe and Representatives Lust, Chase, Schoenfish, Smith, and Turbiville at the request of the Interim Workforce Housing Study Committee

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding tax deed procurement.

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

3 Section 1. That § 10-25-1 be amended to read:

4 10-25-1. In the case of any real property sold for taxes and not yet redeemed, the owner or  
5 holder of the tax certificate may conduct, or cause to be conducted, proceedings to procure a tax  
6 deed on the real property, as provided by §§ 10-25-2 to 10-25-12, inclusive. The proceedings  
7 shall be initiated no sooner than ~~three~~ two years from the date of the tax sale or at any time  
8 thereafter within ~~six~~ three years from the date of the tax sale subject to the provisions of §§ 10-  
9 25-16 to 10-25-19, inclusive. The time period applies equally to the county or any other  
10 purchaser of the tax certificate. Any assignee of a tax certificate shall take the certificate subject  
11 to the time period of the first owner of the tax certificate.

12 Section 2. That § 10-25-16 be amended to read:

13 10-25-16. If proceedings to procure a tax deed are not commenced within ~~six~~ three years  
14 after the date of the tax sale certificate on which the proceedings are based, the tax sale



1 certificate, the lien for taxes, the lien of any taxes paid by the holder of the tax sale certificate  
2 as subsequent taxes, and all rights thereunder cease and are forever barred. The county treasurer  
3 shall cancel the certificate on the treasurer's record and shall note on the sale records and the tax  
4 books of the treasurer's office that the tax sale certificate and the lien of subsequent tax receipts  
5 held by the owner of the tax sale certificate are barred and of no validity.

6 Section 3. That § 10-25-17 be amended to read:

7 10-25-17. The provisions of § 10-25-16 do not apply to tax sale certificates that are held by  
8 the county. If any such certificate is assigned by the county, and if the certificate is dated more  
9 than ~~four~~ two years preceding the date of its assignment, the purchaser of the certificate has one  
10 year from the date of its assignment within which to commence proceedings to procure a tax  
11 deed.

12 Section 4. That § 10-25-18 be amended to read:

13 10-25-18. The commencement of proceedings to procure a tax deed within the periods  
14 limited in §§ 10-25-16 and 10-25-17 does not extend the lien of the holder of the tax sale  
15 certificates more than six months beyond the expiration of the periods of limitations. If any such  
16 proceedings, commenced within the time limited by §§ 10-25-16 and 10-25-17, are not  
17 completed, and the right of the party instituting the proceedings to receive a tax deed under the  
18 provisions of §§ 10-25-1 to 10-25-12, inclusive, is not fully completed and established, within  
19 six months after the expiration of ~~six~~ three years from the date of the tax sale certificate upon  
20 which the proceedings are based; allowing, however, to purchasers of tax sale certificates  
21 assigned by the county the additional period of one year from the date of the assignment within  
22 which to commence such proceedings and six months after the expiration of the period of one  
23 year within which to complete the proceedings; then all rights under the proceedings cease and  
24 are forever barred and the county treasurer shall cancel the tax sale certificate in the manner

1 provided in § 10-25-16. Thereupon, the lien of the holder of the tax sale certificate is  
2 extinguished and all further proceedings on the tax sale certificate are barred.

3 Section 5. That § 10-21-14 be amended to read:

4 10-21-14. The county treasurer shall make duplicate receipts for tax payments. One receipt  
5 may be delivered to the person paying the taxes and the other shall, within one week, be filed  
6 with the auditor. The auditor's copy of the receipt shall specify the property on which the tax  
7 was assessed, the amount of taxes collected for state purposes including the levy for state  
8 highways, the amount of each separate and distinct fund the tax is allocated to, and the years for  
9 which any of the real property described has been sold for taxes and not redeemed, unless the  
10 certificates for such tax sales are more than ~~six~~ three years old.

11 Any county auditor who fails to enter upon any tax receipt the amount of taxes for state  
12 purposes, or any county treasurer who fails to specify on the duplicate tax receipt the  
13 information required by this section, is guilty of a Class 2 misdemeanor.