

State of South Dakota

EIGHTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, 2013

483U0401

SENATE TAXATION ENGROSSED NO. **SB 157** - 01/28/2013

Introduced by: Senators Krebs, Begalka, Frerichs, Kirkeby, and Vehle and Representatives Verchio, Bartling, Feickert, Hickey, Hoffman, Peterson, Rozum, and Tulson

1 FOR AN ACT ENTITLED, An Act to revise the distribution from the wind energy tax fund.

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

3 Section 1. That § 10-35-22 be amended to read as follows:

4 10-35-22. Any company requiring transmission lines or wind farm collector systems or both
5 in South Dakota for a wind farm or a power generation facility as described in § 10-35-1.3, is
6 eligible for a partial rebate of the tax paid under § 10-35-19. The company shall apply for the
7 rebate on forms prescribed by the secretary. The total amount of tax rebated shall be no more
8 than fifty percent of the cost of the transmission lines and wind farm collector systems in South
9 Dakota.

10 The maximum rebate any company may receive in one year is ninety percent of the tax paid
11 under § 10-35-19 for the first five years and fifty percent of the tax paid under § 10-35-19 for
12 the next five years. The secretary shall determine when the wind farm is commercially
13 operational. No wind farm may receive a rebate under this section after this ten year period.

14 The secretary shall rebate the tax from the wind energy tax fund prior to the distribution of



1 any money as provided in § 10-35-21. The secretary may provide a tax credit, in lieu of full
2 payment of the gross receipts tax, of up to eighty percent of the transmission rebate value that
3 has been approved by the secretary. ~~Any revenue in the wind energy tax fund after the rebates
4 are paid shall be deposited in the property tax reduction fund.~~

5 Section 2. That chapter 10-35 be amended by adding thereto a NEW SECTION to read as
6 follows:

7 After the distributions specified in § 10-35-21 and rebates specified in § 10-35-22 are made,
8 any revenue in the wind tax energy fund shall be distributed as provided in this section. An
9 amount equal to two and one-half percent of the tax paid under § 10-35-19, or as much of that
10 amount as is available, shall be distributed to the county treasurer where the wind farm is
11 located, to be distributed among the townships within the county. If a wind farm is located in
12 more than one county, each county shall receive the same percentage of the tax as the percentage
13 of wind towers in the wind farm located in the county. If a wind farm is located in more than
14 one township in the county, each township shall receive the same percentage of tax as the
15 percentage of wind towers located in the township. The balance of revenue in the wind energy
16 tax fund shall be deposited in the property tax reduction fund.