

State of South Dakota

EIGHTY-NINTH SESSION
LEGISLATIVE ASSEMBLY, 2014

519V0575

SENATE TAXATION ENGROSSED NO. **SB 162** - 02/12/2014

Introduced by: Senators Ewing, Kirkeby, and Lederman and Representatives Lust, Johns, and Romkema

1 FOR AN ACT ENTITLED, An Act to repeal certain mineral severance taxes imposed on
2 precious metals and to repeal certain temporary and expired mineral severance taxes.

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

4 Section 1. That § 10-39-68 be amended to read as follows:

5 10-39-68. In addition to the tax imposed in § 10-39-43, there is hereby imposed an
6 additional tax ~~on each ounce of precious metals severed as follows:~~

7 ~~—(1)—~~ Four dollars of two dollars per ounce of gold severed during a quarter if the average
8 price of the precious metal is eight hundred dollars per ounce or greater;

9 ~~—(2)—~~ Three dollars per ounce of gold severed during a quarter if the average price of the
10 precious metal is seven hundred dollars per ounce or greater;

11 ~~—(3)—~~ Two dollars per ounce of gold severed during a quarter if the average price of the
12 precious metal is six hundred dollars per ounce or greater; and

13 ~~—(4)—~~ One dollar per ounce of gold severed during a quarter if the average price of the
14 precious metal is five hundred dollars per ounce or greater.



1 The average price of gold shall be computed by summing the daily London Final price of
2 the precious metal for each business day of the quarter and dividing by the number of business
3 days in the quarter.

4 Section 2. That § 10-39-45.1 be amended to read as follows:

5 10-39-45.1. In addition to any other tax imposed in chapter 10-39, there is imposed a tax of
6 ~~ten~~ eight percent of the net profits from the sale of precious metals severed in this state.

7 Section 3. That § 10-39-58 be repealed.

8 ~~— 10-39-58. Notwithstanding the provisions of § 10-39-43, for the privilege of severing~~
9 ~~precious metals in this state, for the time period beginning July 1, 1993, and ending June 30,~~
10 ~~1994, there is imposed a severance tax of two percent of the first fifty million dollars of the~~
11 ~~gross yield from the sale of precious metals severed in this state, and a severance tax of one~~
12 ~~percent of the gross yield from the sale of precious metals in excess of fifty million dollars~~
13 ~~severed in this state.~~

14 Section 4. That § 10-39-59 be repealed.

15 ~~— 10-39-59. Notwithstanding the provisions of §§ 10-39-45.3, 10-39-45.4, and 10-39-45.5,~~
16 ~~the period set forth in § 10-39-58 shall be treated as a separate tax year. The estimated payment~~
17 ~~for the quarter ending September 30, 1993, is due on or before the last day of October; the~~
18 ~~estimated payment for the quarter ending December 31, 1993, is due on or before the last day~~
19 ~~of January 1994; the estimated payment for the quarter ending March 31, 1994, is due on or~~
20 ~~before the last day of April 1994, and the estimated payment for the quarter ending June 30,~~
21 ~~1994, is due on or before the last day of July 1994.~~

22 ~~— The final return and final payment of tax for the period provided for in § 10-39-58 is due~~
23 ~~December 1, 1994. If the total tax due is paid on or before December 1, 1994, and if the~~
24 ~~quarterly estimates total more than eighty percent of the total tax, no delinquency exists. The~~

1 ~~final return and final payment of tax for that portion of the calendar tax year ending December~~
2 ~~31, 1994, not included within the provisions of § 10-39-58, is due as provided in §§ 10-39-45.4~~
3 ~~and 10-39-45.5.~~

4 Section 5. That § 10-39-60 be repealed.

5 ~~— 10-39-60. Nothing in § 10-39-58 or 10-39-59 may be construed to mean that the tax imposed~~
6 ~~under § 10-39-58 is in addition to the tax imposed by § 10-39-43.~~