State of South Dakota

EIGHTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, **2013**

400U0208

SENATE ENGROSSED NO. SB 56 - 02/04/2013

Introduced by: The Committee on State Affairs at the request of the Department of Revenue

1   FOR AN ACT ENTITLED, An Act to define a credit card bank and to revise certain provisions

2   regarding the distribution of the bank franchise tax.

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

4   Section 1. That § 10-43-1 be amended by adding thereto a NEW SUBDIVISION to read as

5   follows:

6   "Credit card bank," any financial institution that is subject to the tax imposed by this chapter

7   that:

8   (a)   Derives the majority of its income apportioned to this state from the use of

9   credit cards, including income derived from fees, transactional costs, interest,

10   and penalties, and also has total assets over ten billion dollars; or

11   (b)   Was subject to the tax imposed by this chapter before July 1, 2013, and

12   ninety-five percent of its tax receipts were historically distributed to the state

13   general fund pursuant to § 10-43-76 before July 1, 2013.

14   Section 2. That § 10-43-76 be amended to read as follows:

15   10-43-76. Upon the receipt of the funds referred to in this chapter, the secretary of revenue

1   shall deposit ninety-five percent of the taxes paid by <u>credit card</u> banks ~~organized under §§ 51A-~~

2   ~~2-38 to 51A-2-43, inclusive,~~ and twenty-six and two-thirds percent of all other revenue to the

3   general fund. The secretary of revenue shall remit the remainder, on or before February first of

4   each year, to the county treasurer of the county wherein is situated the bank or financial

5   institution remitting the tax. However, the remittance of tax from all branch banks, branch

6   offices, or branches of other financial institutions subject to this tax shall be separated from the

7   remittance of the parent bank or financial institution and shall be remitted to the county treasurer

8   of the county ~~wherein said~~ <u>in which the</u> branch bank, branch office, or financial institution is

9   located.