



April 2024

Procedure to Impose a Tax Levy

For All Taxing Districts (Except School Districts)

For Taxes Payable in Calendar Year 2025

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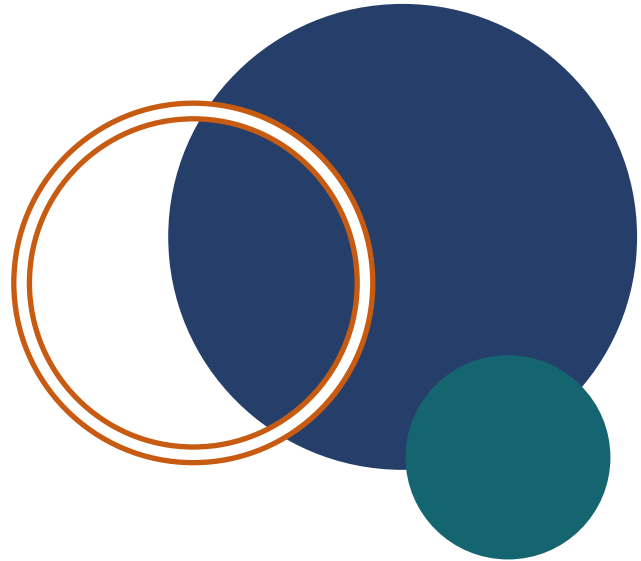
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CONTACT US

If you have any questions, please contact the **South Dakota Department of Revenue.**

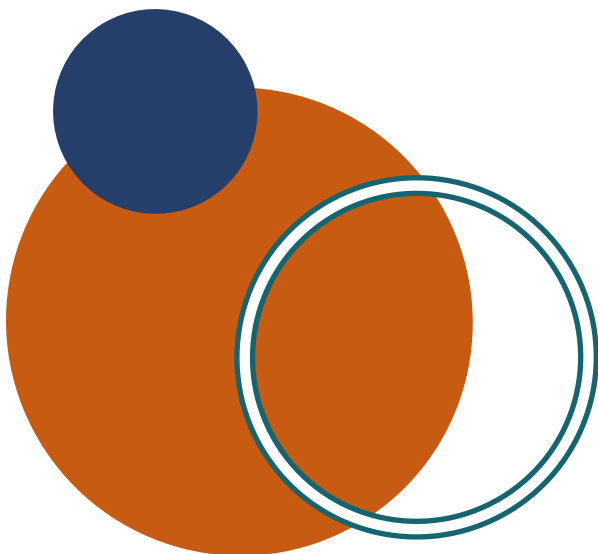
Call toll-free: 1-800-829-9188 (Option 2)

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South Dakota Department of Revenue
445 East Capitol Ave Pierre, SD 57501



Imposition of a Tax Levy

Any taxing district that did not levy a property tax for their general fund in the previous year is able to impose a new tax base. The taxing district can set any dollar amount to for the new base, as long as the amount remains within statute levy limits for that district type.

After the imposition has been fully implemented, the base amount can be increased annually by CPI and growth.

Requirements

Timeframe

An Imposition of a Tax Levy requires a two-thirds vote of the governing body on or before July 15th. The resolution establishing the imposition must be published within ten days of decision.

The resolution form should be signed by all members of the governing body voting in favor of such new imposition. However, the publication of the resolution requires only the signature of the finance officer to accompany the notice.

The decision may be referred to a vote by a petition signed by at least five percent of the registered voters in the taxing district and filed with the governing body within twenty days of the first publication.

Election must be held on or before October 1st

Documentation

All taxing entities must send the following to the County Auditor

- Copy of the Imposition of a Tax Levy resolution
- Copies of the minutes of the meeting at which the imposition took place
- Proof of publication/notification
- The outcome of the election (if referred to a vote)

Publication

1. Must publish within 10 days of decision
2. At least twice in legal newspaper—with 5 days between publications
3. Three newspaper columns in width and four inches in length or 1/6 page in size, whichever is greater
4. Must contain the Tax Imposition Resolution with heading "ATTENTION TAXPAYERS: NOTICE OF PROPERTY TAX IMPOSED OF \$(fill in amount)"

#3 & 4 are not mandatory for Imposition of less than \$15,000.

For Impositions of \$15,000 or more, #3 and 4 may be waived IF:

- A copy of the resolution is mailed to every property taxpayer
- AND a copy of resolution is printed in each official newspaper in the governing unit's boundary

10-13-35.12. Exemption from limitation on tax levy increase for taxing district that has not levied property tax for general fund purposes since 1996. Any taxing district that did not levy a property tax for general fund purposes in any year since 1996 is exempt from the provisions of § 10-13-35 if the taxing district establishes the amount of revenue payable from taxes on real property for general fund purposes pursuant to § 10-13-35.13. Each year thereafter such taxing district may increase the amount of revenue payable from property taxes by applying the growth and the index factor pursuant to § 10-13-35. Any excess levy imposed on property pursuant to § 10-13-36 terminates when a general fund levy is imposed by such taxing district pursuant to § 10-13-35.13.

10-13-35.13. Imposition of levy by resolution--Publication--Reference of decision to voters. The governing body of a taxing district may, by resolution, impose the levy provided in § 10-13-35.12 with an affirmative two-thirds vote of the governing body on or before July fifteenth. The decision of the governing body to impose the levy shall be published within ten days of the decision as follows:

(1) Publication shall be made at least twice in the legal newspaper designated by the governing body pursuant to law, with no fewer than five days between publication dates, before the tax imposition takes effect;

(2) The announcement shall be at least three newspaper columns in width and four inches in length or at least one-sixth of a page in size, whichever size is greater;

(3) The announcement shall be headed with the following statement in a typeface no less than eighteen point type: "ATTENTION TAXPAYERS: NOTICE OF PROPERTY TAX IMPOSED OF \$(fill in amount)." The remainder of the announcement shall consist of a reproduction of the resolution including the amount that property taxes will be imposed and a statement of the right to refer the decision of the board to a vote of the people as provided in this section. The secretary of revenue, in rules promulgated pursuant to chapter 1-26, shall prescribe a uniform form to be used by the taxing district for notification of taxpayers as required by this section.

However, the requirements of subdivisions (2) and (3) are waived if:

- (a) The property tax imposed is for less than fifteen thousand dollars; or
- (b) A copy of the resolution is mailed to every property taxpayer in the taxing district, by first class mail or bulk mail, within twenty days of the decision; and
- (c) A copy of the resolution is printed in each legal newspaper in the taxing district's boundaries.

For the purposes of subsections (a), (b), and (c), the first publication is not deemed to have occurred until three days after the mailing is sent or the resolution is delivered to the legal newspaper.

The governing body's decision may be referred to a vote of the people upon a resolution of the governing body of the taxing district or by a petition signed by at least five percent of the registered voters in the taxing district and filed with the respective governing body within twenty days of the first publication of the decision. The referendum election shall be held on or before October first preceding the year the taxes are payable.

**ATTENTION TAXPAYERS:
NOTICE OF
PROPERTY TAX IMPOSED
OF \$ _____**

THE TAXING ENTITY OF _____ did not have a levy when the tax limitation act was imposed. Law now permits the governing board of said entity to establish a tax amount which may be levied and such amount can increase each year with the amount of inflation and new construction. Therefore the board does now establish a base property tax in the amount of \$ _____ starting with calendar year _____ taxes payable in the calendar year _____. This action has been taken by the board and approved by at least a two-thirds vote of the board.

This decision may be referred to a vote of the people upon a petition signed by at least five percent of the registered voters in the district and filed with the governing body within twenty days of the first publication of this decision.

Unless this action is referred to a vote of the people and reversed by such vote, this resolution authorizes the county auditor to spread a levy to raise tax dollars in the above stated amount, allowing for percentage increases from inflation and new construction in subsequent years.

Signed _____ Board Chairman

_____ Board Member

_____ Board Member

_____ Board Member

_____ Board Member

_____ Board Member

_____ Board Member

_____ Board Member

_____ Board Member