

# State of South Dakota

EIGHTY-EIGHTH SESSION  
LEGISLATIVE ASSEMBLY, 2013

400U0289

SENATE STATE AFFAIRS

ENGROSSED NO. **HB 1045** - 02/27/2013

**This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.**

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

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding alternative  
2 apportionment methods available for determination of the bank franchise tax.

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

4 Section 1. That § 10-43-29.1 be amended to read as follows:

5 10-43-29.1. If the apportionment methods included in §§ 10-43-22.1 to 10-43-25.7,  
6 inclusive, do not fairly represent the financial institution's net income in this state, the financial  
7 institution may petition for, or the secretary may require, ~~pursuant to criteria established by rule~~  
8 ~~promulgated pursuant to chapter 1-26~~, with respect to all or any part of the taxpayer's business  
9 activity:

- 10 (1) Separate accounting;
- 11 (2) The exclusion of any one or more of the factors;
- 12 (3) The inclusion of one or more additional factors which will fairly represent the  
13 taxpayer's business activity in this state; or
- 14 (4) The employment of any other method to effectuate an equitable allocation and



1           apportionment of the taxpayer's taxable income.

2           The secretary shall promulgate rules pursuant to chapter 1-26 within six months of any

3           decision to use any of the alternative apportionment methods provided under this section.