



2020 South Dakota Legislature

Senate Bill 67

Introduced by: **Senator Maher**

1 **An Act to provide an option to sparse school districts regarding the amount of taxes**
 2 **collected in the capital outlay fund.**

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

4 **Section 1.** That § 13-16-7.2 be AMENDED:

5 **13-16-7.2. Maximum taxes--Pledge of taxes.**

6 Starting with taxes payable in 2021, a school district, other than a sparse school
 7 district as defined in § 13-13-78, is limited to the maximum taxes allowed pursuant to
 8 § 13-16-7 or two thousand eight hundred dollars for each enrolled student as determined
 9 in the fall enrollment count set forth in § 13-13-10.1 for the prior school year, whichever
 10 is less. A sparse school district may, at the discretion of the school district, either collect
 11 taxes equal to the maximum taxes allowed under § 13-16-7 or collect taxes equal to two
 12 thousand eight hundred dollars for each enrolled student in the fall enrollment count for
 13 the prior school year. For 2022 and subsequent years, the maximum amount for each
 14 enrolled student shall increase by the lesser of three percent or the index factor, as defined
 15 in § 10-13-38.

16 If a school district has irrevocably pledged taxes collected to the payment of principal
 17 and interest on installment purchase contracts or capital outlay certificates entered into
 18 or issued pursuant to § 13-16-6 or 13-16-6.2 or lease-purchase agreements or other
 19 arrangements with the Health and Educational Facilities Authority prior to July 1, 2016,
 20 that school district may raise taxes allowed pursuant to § 13-16-7 and this section in an
 21 amount necessary to fund those payments and obligations and to provide additional
 22 funding of up to two thousand eight hundred dollars for each enrolled student as
 23 determined in the fall enrollment count set forth in § 13-13-10.1. In no year may the
 24 annual tax levy provided in this section exceed the levy authorized under § 13-16-7.