

State of South Dakota

NINETIETH SESSION
LEGISLATIVE ASSEMBLY, 2015

654W0512

SENATE JOINT RESOLUTION NO. 2

Introduced by: Senators Hunhoff (Bernie) and Rampelberg and Representatives Brunner and Ring

1 A JOINT RESOLUTION, Proposing and submitting to the electors at the next general election
2 a new section to Article XI of the Constitution of the State of South Dakota, relating to the
3 imposition of an education franchise tax on profits of corporations and dedication of the
4 revenue therefrom.

5 BE IT RESOLVED BY THE SENATE OF THE STATE OF SOUTH DAKOTA, THE HOUSE
6 OF REPRESENTATIVES CONCURRING THEREIN:

7 Section 1. That at the next general election held in the state, the following amendment to
8 Article XI of the Constitution of the State of South Dakota, as set forth in section 2 of this Joint
9 Resolution, which is hereby agreed to, shall be submitted to the electors of the state for
10 approval.

11 Section 2. That Article XI of the Constitution of the State of South Dakota, be amended by
12 adding a NEW SECTION to read as follows:

13 § 16. The Legislature shall impose an education franchise tax by imposing a tax on the
14 profits of corporations doing business in South Dakota. However, this section does not apply
15 to any insurance company subject to a tax on gross premiums or financial institution subject to



1 the bank franchise tax. The revenue and interest generated by the tax, less the cost of
2 administration, is dedicated to improving the salaries of elementary and secondary public school
3 teachers. The Legislature shall establish the rate of taxation.