

State of South Dakota

NINETY-FIRST SESSION
LEGISLATIVE ASSEMBLY, 2016

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SENATE JOINT RESOLUTION NO. 2

Introduced by: Senators Hunhoff (Bernie), Parsley, Peterson (Jim), and Rampelberg and
Representatives Brunner and Feickert

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 a corporate income tax and dedication of the revenue therefrom.

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

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

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

12 § 16. The Legislature shall impose a corporate income tax. However, this section does not
13 apply to any for-profit educational institution or any insurance company subject to a tax on gross
14 premiums or financial institution subject to the bank franchise tax. The revenue and interest
15 generated by the tax, less the cost of administration, is dedicated for the purpose of providing



1 property tax relief. The rate of taxation imposed on corporate income shall be an amount not to
2 exceed six percent of the federal taxable income. The Legislature may exempt an amount of
3 federal taxable income not to exceed two hundred fifty thousand dollars from the tax imposed
4 by this section.