



2025 South Dakota Legislature

House Bill 1235

Introduced by: **Representative** Jamison

1 **An Act to reduce a limit on the annual increases of property tax revenues payable**
 2 **to certain taxing districts, and to subject school districts to a limit on property**
 3 **taxes collected in a year.**

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

5 **Section 1. That § 10-13-35 be AMENDED:**

6 **10-13-35.** ~~This section does not apply to school districts. For taxes payable in~~
 7 ~~1997, and each year thereafter, the~~ The total amount of revenue payable from taxes on
 8 real property within a taxing district, excluding the levy pursuant to § 10-13-36, may
 9 increase no more than the lesser of ~~three~~ two and one-half percent or the index factor, as
 10 defined in § 10-13-38, over the amount of revenue payable from taxes on real property
 11 in the preceding year, excluding the amount of taxes levied pursuant to § 10-13-36.

12 After applying the index factor, a taxing district may increase the revenue payable
 13 from taxes on real property above the limitations provided by this section by the
 14 percentage increase of value resulting from any improvements or change in use of real
 15 property, annexation, minor boundary changes, and any adjustments in taxation of
 16 property separately classified and subject to statutory adjustments and reductions under
 17 chapters 10-4, 10-6, 10-6A, and 10-6B, except § 10-6-113, only if assessed the same as
 18 property of equal value.

19 A taxing district may further increase the revenue it receives from taxes on real
 20 property above the ~~limit~~ limitations provided by this section for taxes levied to pay the
 21 principal, interest, and redemption charges on any bonds ~~issued after January 1,~~
 22 ~~1997, which~~ that are subject to referendum; ~~and~~ scheduled payment increases on bonds; ~~and~~
 23 for a levy directed by the order of a court for the purpose of paying a judgment against
 24 ~~such the~~ the taxing district. ~~Any A taxing district created after the effective date of this section~~
 25 is exempt from the limitation provided by this section for a period of two years immediately
 26 following its creation.