



2025 South Dakota Legislature

Senate Bill 190

Introduced by: **Senator** Carley

1 **An Act to establish an education property tax credit program.**

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

3 **Section 1. That a NEW SECTION be added to chapter 10-13:**

4 Any owner of property that is subject to taxation pursuant to chapter 10-4 may
5 receive a property tax credit to be applied toward any property tax levied on the property
6 for the school district in which the property is located. The reduction is based on education
7 expenses the owner has incurred for any child who meets the following qualifications:

8 (1) The child is at least five years old, but not older than eighteen years; and

9 (2) The child is a kindergarten-through-twelfth-grade student in South Dakota enrolled
10 in a nonpublic school or the child is receiving alternative instruction pursuant to §
11 13-27-3.

12 Incurred, eligible education expenses for which a property tax credit may be
13 received pursuant to this Act include tuition and school fees for any child enrolled in a
14 nonpublic school, and the purchase of curriculum and other necessary educational
15 materials and resources.

16 **Section 2. That a NEW SECTION be added to chapter 10-13:**

17 The amount of the property tax credit received by any property owner in any year
18 may not exceed the total amount of school district taxes owed to that school district by
19 the owner for that year. In addition, the total amount of property tax credits received by
20 an individual property owner or by multiple property owners pursuant to this Act for
21 incurred eligible education expenses for any individual child in any year may not exceed
22 eighty percent of the current year's per student equivalent in the general state aid to
23 education formula as defined in § 13-13-10.1.

24 **Section 3. That a NEW SECTION be added to chapter 10-13:**

1 To apply for a property tax credit pursuant to this Act, a property owner shall, prior
2 to January first, submit an application to the county director of equalization stating that
3 the person is the owner of the property and stating the name and school enrollment
4 information for any child for whom the property owner has incurred eligible education
5 expenses. The application shall be on a form prescribed by the Department of Revenue
6 and shall be verified by the school in which each child is enrolled. On the application, the
7 property owner shall list each eligible education expense the owner has incurred and the
8 cost of each. The property owner shall sign the application under penalty of perjury and
9 provide documentation to substantiate each expense listed.

10 **Section 4. That a NEW SECTION be added to chapter 10-13:**

11 The property tax bill sent to each taxpayer pursuant to § 10-21-1.1 shall reflect
12 any property tax credits received pursuant to this Act.

13 **Section 5. That a NEW SECTION be added to chapter 10-13:**

14 The Department of Revenue shall promulgate rules pursuant to chapter 1-26 to
15 specify the forms and procedures for filing and processing requests for property tax credits
16 under this Act and the documentation that is necessary to verify the eligible education
17 expenses.