

# State of South Dakota

EIGHTY-NINTH SESSION  
LEGISLATIVE ASSEMBLY, 2014

519V0575

## SENATE BILL NO. 162

Introduced by: Senators Ewing, Kirkeby, and Lederman and Representatives Lust, Johns, and Romkema

1 FOR AN ACT ENTITLED, An Act to repeal certain mineral severance taxes imposed on  
2 precious metals and to repeal certain temporary and expired mineral severance taxes.

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

4 Section 1. That § 10-39-43 be repealed.

5 ~~10-39-43. For the privilege of severing precious metals in this state, there is imposed a~~  
6 ~~severance tax of four dollars per ounce of gold severed in this state.~~

7 Section 2. That § 10-39-68 be repealed.

8 ~~10-39-68. In addition to the tax imposed in § 10-39-43, there is hereby imposed an~~  
9 ~~additional tax on each ounce of precious metals severed as follows:~~

10 ~~(1) Four dollars per ounce of gold severed during a quarter if the average price of the~~  
11 ~~precious metal is eight hundred dollars per ounce or greater;~~

12 ~~(2) Three dollars per ounce of gold severed during a quarter if the average price of the~~  
13 ~~precious metal is seven hundred dollars per ounce or greater;~~

14 ~~(3) Two dollars per ounce of gold severed during a quarter if the average price of the~~  
15 ~~precious metal is six hundred dollars per ounce or greater; and~~



1 ~~— (4) — One dollar per ounce of gold severed during a quarter if the average price of the~~  
2 ~~precious metal is five hundred dollars per ounce or greater.~~

3 ~~— The average price of gold shall be computed by summing the daily London Final price of~~  
4 ~~the precious metal for each business day of the quarter and dividing by the number of business~~  
5 ~~days in the quarter.~~

6 Section 3. That § 10-39-58 be repealed.

7 ~~— 10-39-58. Notwithstanding the provisions of § 10-39-43, for the privilege of severing~~  
8 ~~precious metals in this state, for the time period beginning July 1, 1993, and ending June 30,~~  
9 ~~1994, there is imposed a severance tax of two percent of the first fifty million dollars of the~~  
10 ~~gross yield from the sale of precious metals severed in this state, and a severance tax of one~~  
11 ~~percent of the gross yield from the sale of precious metals in excess of fifty million dollars~~  
12 ~~severed in this state.~~

13 Section 4. That § 10-39-59 be repealed.

14 ~~— 10-39-59. Notwithstanding the provisions of §§ 10-39-45.3, 10-39-45.4, and 10-39-45.5,~~  
15 ~~the period set forth in § 10-39-58 shall be treated as a separate tax year. The estimated payment~~  
16 ~~for the quarter ending September 30, 1993, is due on or before the last day of October; the~~  
17 ~~estimated payment for the quarter ending December 31, 1993, is due on or before the last day~~  
18 ~~of January 1994; the estimated payment for the quarter ending March 31, 1994, is due on or~~  
19 ~~before the last day of April 1994, and the estimated payment for the quarter ending June 30,~~  
20 ~~1994, is due on or before the last day of July 1994.~~

21 ~~— The final return and final payment of tax for the period provided for in § 10-39-58 is due~~  
22 ~~December 1, 1994. If the total tax due is paid on or before December 1, 1994, and if the~~  
23 ~~quarterly estimates total more than eighty percent of the total tax, no delinquency exists. The~~  
24 ~~final return and final payment of tax for that portion of the calendar tax year ending December~~

1 ~~31, 1994, not included within the provisions of § 10-39-58, is due as provided in §§ 10-39-45.4~~  
2 ~~and 10-39-45.5.~~

3 Section 5. That § 10-39-60 be repealed.

4 ~~— 10-39-60. Nothing in § 10-39-58 or 10-39-59 may be construed to mean that the tax imposed~~  
5 ~~under § 10-39-58 is in addition to the tax imposed by § 10-39-43.~~