

# State of South Dakota

SEVENTY-EIGHTH SESSION  
LEGISLATIVE ASSEMBLY, 2003

400I0227

## HOUSE BILL NO. 1036

Introduced by: The Committee on Taxation at the request of the Department of Revenue

1 FOR AN ACT ENTITLED, An Act to revise certain dates pertaining to references to the  
2 Internal Revenue Code.

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

4 Section 1. That § 10-43-10.1 be amended to read as follows:

5 10-43-10.1. Net income, in the case of a financial institution, is taxable income as defined in  
6 the Internal Revenue Code, as amended, and in effect on January 1, ~~2002~~ 2003, and reportable  
7 for federal income tax purposes for the taxable year, but subject to the adjustments as provided  
8 in §§ 10-43-10.2 and 10-43-10.3. If a financial institution has elected to file its federal tax return  
9 pursuant to 26 USC § 1362(a), as amended, and in effect on January 1, 1997, net income shall  
10 be computed in the same manner and in the same amount as if that institution had continued to  
11 file its federal tax return without making the election and the financial institution shall continue  
12 to be treated as a separate corporation for the purposes of this chapter.

13 Section 2. That subdivision (6) of § 10-18A-1 be amended to read as follows:

14 (6) "Income," the sum of adjusted gross income as defined in the United States Internal  
15 Revenue Code, as amended, and in effect on January 1, ~~2002~~ 2003, and all nontaxable  
16 income, including but not limited to the amount of capital gains excluded from



1 adjusted gross income, alimony, support money, nontaxable strike benefits, cash  
2 public assistance and relief, not including relief granted under this chapter, the gross  
3 amount of any pension or annuity, including Railroad Retirement Act benefits and  
4 veterans' disability pensions, all payments received under the federal social security  
5 and state unemployment insurance laws, nontaxable interest received from the federal  
6 government or any of its instrumentalities, workers' compensation, and the gross  
7 amount of loss of time insurance, but not including gifts from nongovernmental  
8 sources, food stamps, or surplus foods, or other relief in kind provided by a public  
9 agency less real estate taxes payable on the applicant's principal residence for the year  
10 in which application is made. However, the reduction in the applicant's income for real  
11 estate taxes payable may not exceed four hundred dollars;

12 Section 3. That subdivision (5) of § 10-45A-1 be amended to read as follows:

13 (5) "Income," the sum of adjusted gross income as defined in the United States Internal  
14 Revenue Code, as amended, and in effect on January 1, ~~2002~~ 2003, and all nontaxable  
15 income, including but not limited to the amount of capital gains excluded from  
16 adjusted gross income, alimony, support money, nontaxable strike benefits, cash  
17 public assistance and relief, not including relief granted under this chapter, the gross  
18 amount of any pension or annuity, including Railroad Retirement Act benefits and  
19 veterans' disability pensions, all payments received under the federal social security  
20 and state unemployment insurance laws, nontaxable interest received from the federal  
21 government or any of its instrumentalities, workers' compensation, and the gross  
22 amount of loss of time insurance, but not including gifts from nongovernmental  
23 sources, food stamps, or surplus foods, or other relief in kind provided by a public  
24 agency, less real estate taxes payable or ten percent of rent paid on the applicant's

1 principal residence for the year in which application is made. However, the reduction  
2 in the individual's income may not exceed four hundred dollars;

3 Section 4. That subdivision (7) of § 10-40A-1 be amended to read as follows:

4 (7) "Internal Revenue Code," the federal Internal Revenue Code, as amended, and in  
5 effect on January 1, ~~2002~~ 2003;

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