

# State of South Dakota

SEVENTY-NINTH SESSION  
LEGISLATIVE ASSEMBLY, 2004

636J0616

## SENATE ENGROSSED NO. **SB 104** - 02/05/2004

Introduced by: Senators Knudson, Earley, Kelly, McCracken, Schoenbeck, and Sutton (Dan)  
and Representatives Madsen, Christensen, Glenski, Heineman, Hunhoff,  
McLaughlin, Nesselhuf, Schafer, and Weems

1 FOR AN ACT ENTITLED, An Act to provide certain economic development incentives in  
2 specified areas.

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

4 Section 1. That § 13-13-10.2 be amended to read as follows:

5 13-13-10.2. The assessed value as determined in § 13-13-10.1 of any property in a tax  
6 incremental district formed on or before December 31, 1994, and created pursuant to chapter  
7 11-9 is the tax incremental base, as defined in § 11-9-19 until the tax incremental district ceases  
8 to exist as provided in § 11-9-46. The assessed values, as determined in § 13-13-10.1 of any  
9 property in a tax incremental district formed after December 31, 1994, and created pursuant to  
10 chapter 11-9, is the total assessed value of the property determined by the Department of  
11 Revenue and Regulation pursuant to § 11-9-24, until the tax incremental district ceases to exist  
12 as provided in § 11-9-46. The provisions of this chapter do not apply to any tax incremental  
13 district created after December 31, 1994, for industrial purposes. For the purposes of this  
14 chapter, industrial includes only those activities generally recognized as industrial by zoning  
15 authorities within the state, including any factory or any business engaged primarily in the



1 manufacturing or assembly of goods, the processing of raw materials, and the wholesale  
2 distribution of products for resale. The provisions of this chapter do not apply to any tax  
3 incremental district created after December 31, 2003, for economic development purposes. For  
4 the purposes of this chapter, economic development includes any area where there is or will be  
5 one or more businesses engaged in any activity defined as commercial or industrial by the  
6 governing body that has zoning authority over the land contained within the tax incremental  
7 district.

8 Section 2. That § 11-9-8 be amended to read as follows:

9 11-9-8. ~~In order to~~ To implement the provisions of this chapter, the resolution required by  
10 § 11-9-5 shall contain findings that:

11 (1) Not less than twenty-five percent, by area, of the real property within the district is  
12 a blighted area; and

13 (2) The improvement of the area is likely to enhance significantly the value of  
14 substantially all of the other real property in the district;

15 ~~(3) If the municipality is a county, there are, or there is a reasonable likelihood that there~~  
16 ~~will be, one or more businesses engaged in manufacturing or in the transportation,~~  
17 ~~storage, processing, or sale of agricultural products, located within the district.~~

18 It is not necessary to identify the specific parcels meeting the criteria. No county may create  
19 a tax incremental district located, in whole or in part, within a municipality, unless the  
20 governing body of such municipality has consented thereto by resolution.