

TAXATION

1. AGRICULTURAL LAND VALUATION (Revised '06)

WHEREAS: Agricultural land is currently valued for tax purposes by market value; and

WHEREAS: Market value is influenced by non-ag factors in many areas of the state; and

WHEREAS: In certain areas of the state agricultural valuation have allowed property taxes to reach confiscatory levels; and

WHEREAS: We adamantly believe in the right of individuals to own property, whether ag or non-ag.

THEREFORE BE IT RESOLVED: The South Dakota Stockgrowers Association is in support of an income approach for the valuation of agricultural land based on agriculture productivity.

BE IT FURTHER RESOLVED: The South Dakota Stockgrowers Association favors a method that will achieve true equalization for the valuation of agricultural property.

2. COUNTY DIRECTOR OF EQUALIZATION ('95)

WHEREAS: The County Directors of Equalization are hired by the Board of County Commissioners; and

WHEREAS: They do not have a direct responsibility to the voting public.

THEREFORE BE IT RESOLVED: The South Dakota Stockgrowers Association respectfully requests the South Dakota Legislature to pass a law which would make the County Director of Equalization an elective office.

3. LIVESTOCK SERVICES SALES TAX ('96)

WHEREAS: The livestock industry is the economic foundation of the state's economy; and

WHEREAS: A strong livestock economy generates new wealth and economic vitality; and

WHEREAS: The livestock industry provides major support to government functions in South Dakota not only through ordinary business activity, but also through property taxes on land and buildings.

THEREFORE BE IT RESOLVED: The South Dakota Stockgrowers Association opposes sales tax on livestock and livestock services (trucking, bull semen, vet services, etc.).

4. LIQUOR TAX INCREASE FOR COUNTY GOVERNMENT

WHEREAS: County Government must, by law, provide law enforcement, jails, courts, prosecution, and defense, detoxification, welfare, and other related services; and

WHEREAS: Up to 80 percent of the need for some of these services is generated by alcohol abuse; and

WHEREAS: The liquor impact on these social services can cost up to and exceed 15 percent of a total county budget; and

WHEREAS: County governments must rely on property taxes to pay for these services.

THEREFORE BE IT RESOLVED: The South Dakota Stockgrowers Association does not believe it is appropriate that property taxes pay for the problem generated by liquor and support an addition to and a redistribution of the present liquor tax to apply liquor costs at county government.

5. TAX REFORM (Revised '02)

WHEREAS: Property taxes on real estate are no longer tied with the ability to pay.

THEREFORE BE IT RESOLVED: The South Dakota Stockgrowers Association recommends the legislature reduce or eliminate the dependence of schools on property tax by using an alternative funding source.

6. INHERITANCE AND DEATH TAXES (revised'08)

WHEREAS: The state of South Dakota has repealed the state inheritance tax; and

WHEREAS: Estate taxes cause undue financial burdens on ranchers and farmers and may force the sale of the family ranch or farm at the time of death in order to pay the estate taxes owed, preventing the next generation from ranching or farming.

THEREFORE BE IT RESOLVED: The South Dakota Stockgrowers Association supports the permanent repeal of the Federal Estate Tax or the "death tax" with a stepped up basis for farm and ranch heirs.

BE IT FURTHER RESOLVED: The South Dakota Stockgrowers Association opposes the reintroduction of a state inheritance tax.

7. TAX SALE CERTIFICATES ('06)

BE IT RESOLVED: The South Dakota Stockgrowers Association recommends that the sale of tax sale certificates by the counties to private individuals be allowed.

8. AGRICULTURAL LAND TAXATION ('12)

WHEREAS: We adamantly believe in the right of individuals to own property, whether ag or non-ag.

WHEREAS: We support an income approach for the valuation of agricultural land based on agriculture productivity.

WHEREAS: We believe the individual landowner is the best qualified to judge the highest and best use of agricultural land.

THEREFORE BE IT RESOLVED: The South Dakota Stockgrowers Association supports a productivity-based property tax system for agricultural land.

BE IT FURTHER RESOLVED: The South Dakota Stockgrowers Association favors a method that will achieve true equalization for the valuation of agricultural property.

BE IT FURTHER RESOLVED: The South Dakota Stockgrowers Association favors determination of crop or non-crop use of agricultural land based on land's actual use.

9. DEFINITIONS FOR AG LAND CLASSIFICATION ('13)

Whereas, SDCL 10-6-31.3 establishing the criteria to be met to qualify open space land as agriculture land is vague in its definition of “33 1/3% gross family income” and “contiguous ownership”, and

Whereas, SDCL 10-6-631.3 allows the county assessor to pierce the gross income of all owners of a parcel of land without regard to the actual use of the land as a limiting criteria for ag status, and

Whereas, SDCL 10-6-31.3 excludes land from being classified as ag that does not meet certain size requirements as set by the county commissioners without consideration being made for land lost to State owned right of ways or isolated parcels, and

Whereas, interpretations of SDCL 10-6-31.3 leads to similar property in neighboring counties to be valued as ag or non-ag, and

Whereas, property classification change creates hardship for those engaging in agricultural production, now

Therefore be it resolved, the South Dakota Stockgrowers Association supports changes that use the USDA’s definition of a farm or a similar fixed “dollars earned” requirement to show intent of earning an income from ag land rather than the 33 1/3% income requirement, and

Be it further resolved, the South Dakota Stockgrowers Association supports language that amends the “contiguous ownership” language in current law to recognize all properties regardless of size and used for agriculture purposes to be taxed as ag.