

Second Amended Ordinance #95-3

"An Ordinance Adopting a Discretionary Formula for Butte County"

WHEREAS, the Butte County Commission adopted a "discretionary formula" for the assessment of certain structures in Butte County.

WHEREAS, SDCL 10-6-35.2 authorizes the board of county commissioners, at its discretion, to adopt any formula for assessment of specifically classified structures.

WHEREAS, SDCL 10-6-35.2 provides that the formula may include for any or all of the five tax years following construction all, any portion or none of the assessed valuation for tax purposes.

WHEREAS, it has come to the attention of the Commissioners of Butte County, South Dakota, that it would be in the best interest of the County to adopt an ordinance allowing a discretionary formula for Butte County.

BE IT ORDAINED BY BUTTE COUNTY; that Butte County Second Amended Ordinance 95-3 be enacted pursuant to SDCL 10-6-35.2. Discretionary formula for reduced taxation of new structures and additions-partially constructed structures to read as follows:

TAXATION FORMULA FOR NEW STRUCTURES AND ADDITIONS

Classifications: All of the following described properties shall be subject to the discretionary formula:

- (1) Pursuant to SDCL 10-6-35.1-New Industrial Structures and Additions Specifically Classified for Tax Purposes-Any new industrial structure, including a power generation facility, or addition to existing structure which new structure or addition has a true and full value of thirty thousand dollars or more, added to real property is specifically classified for the purpose of taxation.
- (2) Pursuant to SDCL 10-6-35.19-Nonresidential Property-Increased Value Due to Reconstruction or Renovation-Special Classification-Any commercial, industrial, or nonresidential agricultural real property which increases more than ten thousand dollars in true and full value as a result of reconstruction or renovation of structures is specially classified for purposes of taxation. The increase in true and full value resulting from the reconstruction or renovation of qualifying property shall be given tax treatment in the manner provided for in § 10-6-35 .2.
- (3) Pursuant to SDCL 10-6-35.21-New Nonresidential Agricultural Structures and Additions Specifically Classified for Tax Purposes-Any new nonresidential agricultural structure, or addition to an existing structure, which new structure or addition has a true and full value of ten thousand dollars or more, added to real property is specifically classified for the purpose of taxations.
- (4) Pursuant to SDCL 10-6-35.22--New industrial or commercial structures, additions, renovation, or reconstruction specifically classified for tax purposes. All new industrial or commercial structures or additions, renovation, or reconstruction to existing structures, which new structures or additions, renovation, or reconstruction have a full and true value of thirty thousand dollars or more, located within a designated urban renewal area as defined in § 11-8-4, are specifically classified for the purpose of taxation.

(5) Pursuant to SDCL 10-6-35.24-New Commercial Structures and Additions Specifically Classified for Tax Purposes-Any new commercial structure, except a commercial residential structure, or addition to an existing structure, which new structure or addition has a true and full value of thirty thousand dollars or more, added to real property is specifically classified for the purpose of taxation.

(6) Pursuant to SDCL 10-6-35.25-New Commercial Structures and Additions Specifically Classified for Tax Purposes-Any new commercial residential structure, or addition to an existing structure, which new structure or addition has a true and full value of thirty thousand dollars or more, added to real property is specifically classified for the purpose of taxation. For purposes of this section, a commercial residential structure shall contain four or more units.

Valuation: Such new structures or new additions to existing structures as defined above shall, following new construction or new addition to existing property, be valued for taxation purposes in the usual manner. (See Department of Revenue Land Manual-Section D.)

Following such valuation, the following formula for assessed value of the new structure or new addition to existing property shall be as follows:

The level of assessment for the above-referenced structures specifically classified in SDCL 10-6-35.1, 10-6-35.19, 10-6-35.21, 10-6-35.22, 10-6-35.24, 10-6-35.25, outside a Tax Increment Finance District, shall be 0% assessed for the 1st year, 0% assessed for the 2nd year, 0% assessed for the 3rd year, 0% assessed for the 4th year, and 0% assessed for the 5th year. The same discretionary formula shall be applied to those structures specially classified pursuant to SDCL 10-6-35.21 located within a Tax Increment Finance District.

First Reading: December 05, 2017

Second Reading: December 29, 2017

Adopted: December 29, 2017

Publication: January 12, 2018

Effective Date: February 1, 2018

THIS ORDINANCE WILL BECOME EFFECTIVE ON THE 20TH DAY AFTER COMPLETED PUBLICATION

THE IMPLEMENTATION OF SECOND AMENDED ORDINANCE #95-3 - "AN ORDINANCE ADOPTING A DISCRETIONARY FORMULA FOR BUTTE COUNTY" WILL APPLY TO THE 2019 TAXES WHICH ARE PAYABLE IN 2020.

Dated at Belle Fourche, South Dakota, this 29th day of December, 2017

ATTEST:

/s/: Elaine Jensen
Butte County Auditor

/s/: Stanley J. Harms
Stan Harms, Chairman
Butte County Commission