Title: AN ORDINANCE IMPOSING A COUNTY GROSS RECEIPTS TAX AND A USE TAX FOR CODINGTON COUNTY, SOUTH DAKOTA

Ordinance 83 was adopted by the Board of Codington County Commissioners on July 21st, 2026. Thereafter, the Ordinance has been submitted for referendum vote on a petition by qualified registered voters of Codington County for acceptance or rejection of the Ordinance.

State's Attorney's Explanation:

Ordinance 83 provides for a .5% gross receipts and use tax on the gross receipts of persons engaged in business within Codington County who are subject to the Retail Occupational Sales and Service Tax as well as for the privilege of use, storage and consumption of items purchased after the first of January 2027 beginning after the effective date. Counties were granted the authority for the tax under SB 96(2026) codified as SDCL10-52B.

The revenue generated must be deposited into a county property tax reduction fund. The fund must be used to provide credit against the property taxes on property classified as owner-occupied. The credit must be applied in an equal percentage to all qualifying properties.

If the money in the fund exceeds the amount necessary to replace 100% of the taxes on owner-occupied property, the surplus must provide a credit against the property tax on properties classified as agricultural and nonagricultural, in an equal percentage.

The county may use up to two percent of the money deposited into the fund during the first year of the fund, and up to $20,000 in each subsequent year to administer the requirements. The fund may not be used for any other purpose.

A YES vote would approve Ordinance No. 83 as adopted by the Board of County Commissioners on July 21st, 2026. If approved by the voters, the ordinance would become effective on the date permitted under South Dakota Codified Law § 10-52B-10.

A NO vote would disapprove Ordinance No. 83 as adopted by the Board of County Commissioners on July 21st, 2026. The ordinance would not take effect, and no existing Codington County ordinance would be repealed by a NO vote.