

TITLE THIRTEEN

TAXATION

Chapter 13-1 **Sales and Use Tax**

CHAPTER 13-1

SALES AND USE TAX

13-1-1

PURPOSE

The purpose of this article is to provide additional needed revenue for the City by imposing a municipal retail sales and use tax pursuant to the powers granted to the municipality by SDCL 10-52-1 et seq., the Uniform Municipal Non-ad Valorem Tax Law.

Authority
SDCL 10-52 Generally

13-1-2

SALES AND SERVICE TAX LEVY

There is hereby imposed as a municipal retail occupational sales and service tax upon the privilege of engaging in business, a tax of two (2) percent on the gross receipts of all persons engaged in business within the jurisdiction of the City of Hosmer who are subject to the South Dakota Retail Occupational Sales and Service Tax, SDCL Ch. 10-45 and acts amendatory thereto.

Authority
SDCL 10-52 Generally

13-1-3

COLLECTION

Such sales and service tax is levied pursuant to authorization granted by SDCL Chapter 10-52, and acts amendatory thereto, and shall be collected by the state department of revenue in accordance with the same rules and regulations applicable to the state sales tax and under such additional rules and regulations as the state secretary of revenue shall lawfully prescribe.

Authority
SDCL 10-52 Generally

13-1-4

ALLOCATION OF COLLECTIONS

The tax revenue generated by two (2) percent of the sales and use tax collected pursuant to this article may be allocated for whatever use or purpose deemed appropriate by the City Council.

Authority
SDCL 10-52 Generally

13-1-5

USE TAX LEVY

In addition there is hereby imposed an excise tax on the privilege of the use, storage and consumption within the jurisdiction of the City of tangible personal property purchased from and after the first day of January 1984 at the same rate as the municipal sales and service tax upon all transactions or use, storage and consumption which are subject to the South Dakota Use Tax Act, SDCL Chapter 10-46, and acts amendatory thereto.

Authority
SDCL 10-52 Generally

13-1-6

INTERPRETATION

It is declared to be the intention of this article and taxes levied hereunder that the same shall be interpreted and construed in the same manner as all sections of the South Dakota Retail Occupational Sales and Service Act, SDCL Chapter 10-45 and acts amendatory thereto, and that this shall be considered a similar tax except for the rate thereof to that tax.

Authority
SDCL 10-52 Generally

13-1-7

PENALTY

Any person failing or refusing to make reports on payments prescribed by this article and the rules and regulations relating to the ascertainment and collection of the tax herein levied shall be guilty of a misdemeanor and upon conviction shall be fined not more than five hundred dollars (\$500.00) or imprisoned for thirty (30) days, or both such fine and imprisonment. In addition, all such collection remedies authorized by SDCL Chapter 10-45, and acts amendatory thereto, and SDCL Chapter 10-46, and acts amendatory thereto, are hereby authorized for the collection of these excise taxes by the state department of revenue.

Authority
SDCL 10-52 Generally

13-1-8

EXEMPTIONS FROM TAX

In addition to gross receipts exempted by state law and therefor from tax imposed hereunder, except for transportation as provided in section 13-2-12 of this chapter, there are hereby specifically exempted from the provisions of this chapter and from computation of the amount of tax imposed by it:

- A. Farm machinery and irrigation equipment used exclusively for agricultural purposes;
- B. Gross receipts from vending machines, including but not limited to, pinball machines, phonographs and all other mechanical devices for amusement.
- C. Receipts from sales to a construction company or materials and supplies which are incorporated into and become part of projects outside of the city limits are exempt from municipal sales and use tax even if delivery is made to a truck of the construction company within the City.
- D. Parts and repairs for farm machinery, agricultural animal health products and medicines.

Authority
SDCL 10-52 Generally

13-1-9

TAX ON LODGING ESTABLISHMENTS

There is hereby imposed a tax of two (2) percent upon the gross receipt from rental of lodging establishments received from transient guests. "Lodging Establishments" shall mean any building, structure, property or premises kept, maintained, advertised or held out to the public to be a place where sleeping accommodations are furnished in two or more rental units to transient guests, or space which is provided for transient persons to park transportable, recreational, housing or camping facilities in travel parks.

- A. A transient guest shall be any person who resides in a lodging establishment less than thirty (30) consecutive days. Said tax shall be imposed on all lodging establishments within the jurisdiction of the City of Hosmer.

Authority
SDCL 10-52 Generally

13-1-10

TRANSPORTATION TAX

There are specifically included in the provisions of this chapter and the computation of the amount of tax imposed by it, the gross receipts from the sale, furnishing or service of transportation which is intrastate in nature at the amount provided of two (2) percent.

Authority
SDCL 10-52 Generally