

ARTICLE 64:02

CERTIFICATION OF ASSESSING OFFICERS

Chapter

- 64:02:01 Interpretive rules.
- 64:02:02 Property tax, Transferred.
- 64:02:03 Renewal certificates.

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CHAPTER 64:02:01

INTERPRETIVE RULES

Section

- 64:02:01:01 Definitions.
- 64:02:01:02 Repealed.
- 64:02:01:03 Temporary certificate -- Term -- Renewal.
- 64:02:01:04 Repealed.
- 64:02:01:05 Examinations -- When offered -- Qualifications.
- 64:02:01:06 Passing score.

64:02:01:07 and 64:02:01:08	Repealed.
64:02:01:09	Examinations administered by department -- Contents.
64:02:01:10	Repealed.
64:02:01:11	Permanent certificates -- Term -- Renewal.
64:02:01:12	Reciprocity.
64:02:01:13	Revocation -- Right of appeal.
64:02:01:14	Certified appraiser assessor.
64:02:01:15	Repealed.
64:02:01:16	Credit -- Training.
64:02:01:17 to 64:02:01:22	Repealed.
64:02:01:23	Department sponsored assessor's school -- Attendance required.
64:02:01:24 to 64:02:01:26	Transferred.

64:02:01:13. Revocation -- Right of appeal. The secretary shall revoke the certification of any individual found not to be acting in accordance with the "Code of Ethics and Standards of Professional Conduct" adopted by the IAAO, in effect on September 19, 2005, or the "Uniform Standards of Professional Appraisal Practice" published by the Appraisal Foundation, ~~2008~~ 2010-2011.

Any person who is aggrieved by the revocation of certification or by methods used or by conditions surrounding the certification examination may appeal to the secretary and is entitled to a hearing before the secretary.

Source: 1 SDR 65, effective March 20, 1975; 13 SDR 129, 13 SDR 134, effective July 1, 1987; 19 SDR 42, effective September 29, 1992; 21 SDR 219, effective July 1, 1995; 24 SDR

180, effective July 1, 1998; 27 SDR 147, effective July 8, 2001; 28 SDR 178, effective July 1, 2002; 29 SDR 177, effective July 2, 2003; 30 SDR 58, effective November 5, 2003; 30 SDR 211, effective July 1, 2004; 32 SDR 58, effective October 25, 2005; 33 SDR 67, effective October 24, 2006; 35 SDR 88, effective October 27, 2008.

General Authority: SDCL 10-3-1.2.

Law Implemented: SDCL 10-3-1.2.

References: IAAO "Code of Ethics and Standards of Professional Conduct," as in effect on September 19, 2005, International Association of Assessing Officers. Copies may be obtained from the International Association of Assessing Officers, 1313 East 60th Street, Chicago, Illinois 60637-2892; \$5.00. Copies are available, for examination only, at the Office of the Director of Equalization in each county and at the Department of Revenue and Regulation, Anderson Building, 445 East Capitol Avenue, Pierre, South Dakota 57501.

"Uniform Standards of Professional Appraisal Practice," ~~2008~~ 2010-2011, The Appraisal Foundation. Copies may be obtained from the Appraisal Foundation, P.O. Box 381, Annapolis Junction, MD 20701-0381. Cost: ~~\$50~~ \$75 plus shipping and handling. Copies are available, for examination only, at the Office of the Director of Equalization in each county and at the Department of Revenue and Regulation, Anderson Building, 445 East Capitol Avenue, Pierre, South Dakota, 57501.

CHAPTER 64:02:03

RENEWAL CERTIFICATES

Section

64:02:03:01

Definitions.

64:02:03:02	Requirements for renewal of certified appraiser assessor certificate.
64:02:03:03	Failure to renew certificate.
64:02:03:04	Recertification of mass appraisers.
64:02:03:05 to 64:02:03:13	Repealed.
64:02:03:14	Credit -- Annual assessor school instructor.
64:02:03:15	Repealed.
64:02:03:16	Course requirements for renewal certificates <u>for any applicant whose 5-year renewal period began before January 1, 2011.</u>
64:02:03:16.01	<u>Course requirements for renewal certificates for any applicant beginning a 5-year renewal period on or after January 1, 2011.</u>
64:02:03:17	Exemption for formal designation.
64:02:03:18	Renewal of expired certification certificate.
64:02:03:19	Testing and retesting courses at annual assessors schools.

64:02:03:16. Course requirements for renewal certificates for any applicant whose 5-year renewal period began before January 1, 2011. This section applies to any applicant whose 5-year renewal period began before January 1, 2011.

Applicants for renewal certificates must successfully complete within each 5-year renewal period the following:

- (1) Attend three annual assessors schools and receive a passing grade on the final exam.

One school must be a 30-hour (excluding final examination time) course from the IAAO educational curriculum;

(2) Attend three SDAAO, North Central Regional Association of Assessing Officers (NCRAAO), or IAAO conferences;

(3) Attend three department or department-approved workshops. Any department-approved workshop must be approved by the secretary for credit prior to the workshop; and

(4) Attend two courses on the Uniform Standards of Professional Appraisal Practice (USPAP) approved by the secretary. During the applicants first recertification period, one of these courses must be a tested 15-hour USPAP course approved by the secretary. The applicant must receive a passing grade in the tested course.

Source: 7 SDR 30, effective October 5, 1980; 9 SDR 28, effective September 5, 1982; 13 SDR 129, 13 SDR 134, effective July 1, 1987; 19 SDR 42, effective September 29, 1992; 24 SDR 180, effective July 1, 1998; 26 SDR 18, effective August 19, 1999; 29 SDR 177, effective July 2, 2003; 32 SDR 58, effective October 25, 2005.

General Authority: SDCL 10-3-1.2.

Law Implemented: SDCL 10-3-1.2.

64:02:03:16.01. Course requirements for renewal certificates for any applicant beginning a 5-year renewal period on or after January 1, 2011. This section applies to any applicant beginning a 5-year renewal period on or after January 1, 2011.

Applicants for renewal certificates must successfully complete within each 5-year renewal period the following:

(1) Attend three annual assessors schools and receive a passing grade on the final exam.

One school must be a 30-hour (excluding final examination time) course from the IAAO educational curriculum;

(2) Attend three SDAAO, North Central Regional Association of Assessing Officers (NCRAAO), or IAAO conferences;

(3) Attend three department or department-approved workshops. Any department-approved workshop must be approved by the secretary for credit prior to the workshop.

In addition, in the first six months of every even year, each applicant must complete a course on the Uniform Standards of Professional Appraisal Practice (USPAP) approved by the secretary.

The applicant's first USPAP course taken after their initial certification must be a tested 15-hour USPAP course approved by the secretary. The applicant must receive a passing grade in the tested course.

Source:

General Authority: SDCL 10-3-1.2.

Law Implemented: SDCL 10-3-1.2.

ARTICLE 64:03

PROPERTY TAX

Chapter

- 64:03:01 Urban appraisal.
- 64:03:02 Residential building appraisal.
- 64:03:03 Commercial building appraisal.
- 64:03:04 Rural appraisal manual, Repealed.

64:03:05 Property tax relief, Repealed.

CHAPTER 64:03:01

URBAN APPRAISAL

Section

64:03:01:01 and 64:03:01:02 Repealed.

64:03:01:02.01 Cost approach to valuation of property.

64:03:01:02.02 to 64:03:01:24 Repealed.

64:03:01:25 Depreciation tables may be used.

64:03:01:26 and 64:03:01:27 Repealed.

64:03:01:28 Functional and external obsolescence allowances.

64:03:01:29 and 64:03:01:30 Repealed.

64:03:01:02.01. Cost approach to valuation of property. ~~An assessor~~ When calculating the value of residential property using the cost approach, assessors must use the **Marshall and Swift Residential Cost Handbook, 2008 2010, or the Vanguard Real Property Appraisal Manual, 2008.** and the When calculating the value of non-residential property using the cost approach, assessors must use the **Marshall Valuation Service, 2008 2010, or the Vanguard Real Property Appraisal Manual, 2008** when calculating value based on the cost approach. Any company may petition the Department of Revenue and Regulation to have its cost manual approved for use in South Dakota.

Source: 16 SDR 76, effective November 1, 1989; 17 SDR 4, effective July 18, 1990; 17 SDR 199, effective July 1, 1991; 19 SDR 42, effective September 29, 1992; 20 SDR 134, effective February 22, 1994; 23 SDR 117, effective January 27, 1997; 24 SDR 31, effective September 17, 1997; 24 SDR 180, effective July 1, 1998; 26 SDR 18, effective August 19, 1999; 27 SDR 9, effective August 7, 2000; 27 SDR 147, effective July 8, 2001; 28 SDR 178, effective July 1, 2002; 29 SDR 177, effective July 2, 2003; 30 SDR 211, effective July 1, 2004; 32 SDR 58, effective October 25, 2005; 33 SDR 67, effective October 24, 2006; 34 SDR 93, effective October 17, 2007; 35 SDR 88, effective October 27, 2008.

General Authority: SDCL ~~10-1-16.1~~ 10-1-15.

Law Implemented: SDCL 10-1-16.1, 10-6-33.

References: The Marshall and Swift Residential Cost Handbook, ~~Marshall and Swift Publication Company~~. Copies and the Marshall Valuation Service may be obtained from Marshall and Swift Publication Company, 915 Wilshire Boulevard, 8th Floor, Los Angeles California 90017-3409; \$287.95.

~~**Marshall Valuation Service**, Marshall and Swift Publication Company. Copies may be obtained from Marshall and Swift Publication Company, 915 Wilshire Boulevard, 8th Floor, Los Angeles, California 90017-3409; \$524.95. Copies are available, for examination only, at the Office of the Director of Equalization in each county and at the Department of Revenue and Regulation, Anderson Building, 445 East Capitol Avenue, Pierre, South Dakota 57501.~~

ARTICLE 64:04
ASSESSOR'S HANDBOOK

Chapter

- 64:04:01 General provisions.
- 64:04:02 Property taxable.
- 64:04:03 Property exempt, Repealed.

CHAPTER 64:04:01
GENERAL PROVISIONS

Section

- 64:04:01:01 to 64:04:01:03 Repealed.
- 64:04:01:04 Notice of assessments to taxpayer.
- 64:04:01:04.01 Time limitation for submission of information to the secretary.
- 64:04:01:05 and 64:04:01:06 Repealed.
- 64:04:01:06.01 Certificate of value.
- 64:04:01:07 and 64:04:01:08 Repealed.
- 64:04:01:09 Property cards required -- Must show full and true value.
- 64:04:01:10 to 64:04:01:12 Repealed.
- 64:04:01:13 Real estate abstract classes.
- 64:04:01:13.01 Mobile home property abstract type.
- 64:04:01:13.02 Selection of owner-occupied single-family dwelling.
- 64:04:01:13.03 Definition of owner.
- 64:04:01:13.04 Classification by equalization director.

64:04:01:13.05	Owner-occupied single-family dwelling abstract class.
64:04:01:13.06	Notification of property owner.
64:04:01:14 and 64:04:01:16	Repealed.
64:04:01:17	Residential real estate appraisal guide.
64:04:01:18	Commercial real estate appraisal guide.
64:04:01:19	Repealed.
64:04:01:20	South Dakota Real Estate Appraisal Manual.
64:04:01:21	Sales included in analysis.
64:04:01:22	Definitions. <u>Repealed.</u>
64:04:01:23	Agricultural land must be tested to determine if it is NA-Z. <u>Repealed.</u>
64:04:01:24	Formula used to test whether property is NA-Z when a soil survey is available. <u>Repealed.</u>
64:04:01:25	Formula used to test whether property is NA-Z when a soil survey is not available. <u>Repealed.</u>
64:04:01:26	Definition of manufactured and mobile home dealer's inventory.
64:04:01:27	Required report by director of equalization.
64:04:01:28	Form required for opt out resolution.
64:04:01:29	Definitions for determining agricultural income value. <u>Repealed.</u>
64:04:01:30	Assessing agricultural land when there are less than fifteen arms-length transactions. <u>Repealed.</u>
64:04:01:30.01	Director of equalization permitted to make adjustments to values when using cash rent to establish value.
64:04:01:31	Establishing equalization factor.

- 64:04:01:31.01 Department to review adjustments for consideration in determining equalization factor.
- 64:04:01:32 to 64:04:01:35 Transferred.
- 64:04:01:36 Adjustments to agricultural land with limited use and review of adjustments.
- Appendix A Property Registration Forms.
- Appendix B Guide for Appraising Registered Mobile Homes, repealed, 19 SDR 42, effective September 29, 1992.
- Appendix C Certificate of Value, repealed, 26 SDR 18, effective August 19, 1999.
- Appendix D Abandoned Mobile/Manufactured Home Forms, transferred, 35 SDR 88, effective October 27, 2008.

64:04:01:13. Real estate abstract classes. Records pertaining to a property must contain the abstract class for that type of property. The following are the abstract classes for types of real estate established by the department:

- AG-A Land classified as agricultural without corporate limits;
- AG-SL Land classified as agricultural without corporate limits being leased from the Commissioner of School and Public Lands;
- ~~NA-Z Nonagricultural acreages—agricultural land without corporate limits which has sold for more than 150 percent of its agricultural income value;~~
- ~~NA-Z1 Improvements and structures, including dwellings and automobile garages on land classified as non agricultural acreages, without corporate limits;~~
- AG-A1 Improvements and structures on land classified as agricultural without corporate limits, less dwellings and automobile garages;
- NA-A1 Dwellings and automobile garages on land classified as agricultural without corporate limits;
- NA-AM1 Manufactured home classified as real estate after June 30, 1999, on land classified as agricultural without corporate limits;

- AG-AC Land classified as agricultural without corporate limits, under commercial use;
- NA-AC2 Improvements and structures on land classified as agricultural without corporate limits, under commercial use;
- AG-C Platted lots and acreages without corporate limits classified as agricultural;
- AG-C1 Improvements and structures on platted lots and acreages classified as agricultural without corporate limits, less dwellings and automobile garages;
- NA-C1 Dwellings and automobile garages on platted lots and acreages classified as agricultural without corporate limits;
- AG-CC Platted lots and acreages classified as agricultural without corporate limits improved or unimproved, under commercial use;
- AG-CC2 Improvements and structures on platted lots and acreages classified as agricultural without corporate limits, under commercial use;
- NA-C Platted lots and acreages without corporate limits;
- NA-C1 Improvements and structures on platted lots and acreages without corporate limits;
- NA-CM1 Manufactured home classified as real estate after June 30, 1999, on platted lots and acreages without corporate limits;
- NA-CC Platted lots and acreages without corporate limits improved or unimproved, under commercial use;
- NA-CC2 Improvements and structures on platted lots and acreages without corporate limits, under commercial use;
- AG-D City or town lots and acreages classified as agricultural;
- AG-D1 Agricultural improvements and structures less dwellings and automobile garages on city or town lots and acreages classified as agricultural;
- ~~NA-Z Nonagricultural acreages—agricultural land within corporate limits which has sold for more than 150 percent of its agricultural income value;~~
- ~~NA-Z1 Improvements and structures, including dwellings and automobile garages on land classified as non-agricultural acreages, within corporate limits;~~

- NA-D1 Dwellings and automobile garages on city or town lots and acreages classified as agricultural;
- AG-DC City and town lots and acreages improved or unimproved classified as agricultural for commercial use;
- AG-DC2 Improvements and structures classified as agricultural on city or town lots and acreages, under commercial use;
- NA-D Lots and acreages in city or town;
- NA-D1 Improvements and structures on city or town lots and acreages;
- NA-DM1 Manufactured home classified as real estate after June 30, 1999, on city or town lots and acreages;
- NA-DC City or town lots and acreages improved or unimproved, under commercial use;
- NA-DC2 Improvements and structures on city or town lots and acreages, under commercial use.

Source: 2 SDR 40, effective December 8, 1975; transferred from § 64:02:02:01, 4 SDR 35, effective December 22, 1977; 5 SDR 60, effective January 25, 1979; 12 SDR 111, effective January 12, 1986; 13 SDR 129, 13 SDR 134, effective July 1, 1987; 16 SDR 76, effective November 1, 1989; 17 SDR 4, effective July 18, 1990; 20 SDR 134, effective February 22, 1994; 21 SDR 219, effective July 1, 1995; 24 SDR 31, effective September 17, 1997; 24 SDR 180, effective July 1, 1998; 26 SDR 18, effective August 19, 1999.

General Authority: SDCL 10-10-6.

Law Implemented: SDCL 10-1-15, 10-10-6, 13-13-73.1.

64:04:01:20. South Dakota Real Estate Appraisal Manual. The **South Dakota Real Estate Appraisal Manual**, in its entirety, is the standard real estate appraisal guide for the appraisal of property to determine market value for tax purposes pursuant to SDCL chapter 10-6.

Source: 24 SDR 180, effective July 1, 1998; 27 SDR 147, effective July 8, 2001; 28 SDR 178, effective July 1, 2002; 29 SDR 177, effective July 2, 2003; 30 SDR 211, effective July 1, 2004; 32 SDR 58, effective October 25, 2005; 33 SDR 67, effective October 24, 2006; 34 SDR 93, effective October 17, 2007; 35 SDR 88, effective October 27, 2008.

General Authority: SDCL 10-1-16.1.

Law Implemented: SDCL 10-1-16.1.

Reference: **South Dakota Real Estate Appraisal Manual**, 2008 2010 edition. Copies are free of charge to persons appraising property for tax purposes. Copies are available at the Department of Revenue and Regulation, 445 East Capitol Avenue, Pierre, South Dakota 57501.

64:04:01:22. Definitions. ~~The terms used in §§ 64:04:01:23 to 64:04:01:25, inclusive, mean:~~

~~"Rent," average one year cropland rent from the previous year as provided by the United States Department of Agricultural Statistics Service;~~

~~"Taxes," taxes payable during the year in which the property is purchased. Repealed.~~

Source: 27 SDR 9, effective August 7, 2000; 29 SDR 177, effective July 1, 2003; 32 SDR 58, effective October 25, 2005.

~~**General Authority:** SDCL 10-1-16.1.~~

~~**Law Implemented:** SDCL 10-1-15, 10-1-16, 10-6-33.1, 10-6-33.14.~~

~~**Example:** The average rent for land purchased in April 2000 would be based on the 2000 County Level Land Rents and Values as provided by the United States Department of Agricultural Statistics Service.~~

~~**Example:** Land purchased April 2000, use taxes payable 2000 for land.~~

~~64:04:01:23. Agricultural land must be tested to determine if it is NA-Z. Any agricultural land that sells must be tested to determine if it meets the criteria for the NA-Z classification. If the agricultural land meets the test, the agricultural land must be classified as NA-Z.~~

~~Property shall be classified NA-Z even if the sale was not an arms length transaction. (The test for NA-Z does not require an arms length transaction.) However, the director of equalization shall verify the circumstances involved with each sale. Repealed.~~

Source: 27 SDR 9, effective August 7, 2000.

General Authority: SDCL 10-1-16.1.

Law Implemented: SDCL 10-1-15, 10-1-16, 10-6-33.1, 10-6-33.14.

64:04:01:24. Formula used to test whether property is NA-Z when a soil survey is available. The formulas to be used to test if property is NA-Z when a soil survey is available are as follows:

(1) ~~Bare land formula:~~

(a) ~~Average rental rate of crop land divided by county weighted average rating = top cash rent;~~

(b) ~~Top cash rent multiplied by parcel weighted rating = parcel cash rent;~~

(c) ~~Parcel cash rent less parcel land taxes = parcel income;~~

(d) ~~Parcel income divided by .0775 (7.75% capitalization rate) = capitalized income value.~~

(e) ~~Capitalized income value multiplied by 1.5 = 150% of agricultural income value;~~

~~(f) Selling price divided by number of acres = selling price per acre.~~

~~If the selling price per acre is more than the 150% agricultural income value, the property is NA Z. If the selling price per acre is less than the 150% agricultural income value, the property remains agricultural land (AG-A).~~

~~(2) Land with buildings formula:~~

~~(a) Assessed value of land divided by total assessed value of parcel = land ratio;~~

~~(b) Selling price multiplied by land ratio = selling price of land only;~~

~~(c) Average rental rate of crop land divided by county weighted average rating = top cash rent;~~

~~(d) Top cash rent multiplied by parcel weighted rating = parcel cash rent;~~

~~(e) Parcel cash rent less parcel land taxes = parcel income;~~

~~(f) Parcel income divided by .0775 (7.75% capitalization rate) = capitalized income value;~~

~~(g) Capitalized income value multiplied by 1.5 = 150% of agricultural income value;~~

~~(h) Selling price of land only divided by number of acres = selling price per acre.~~

~~If the selling price per acre is more than the 150% agricultural income value, the property is NA Z. If the selling price per acre is less than the 150% agricultural income value, the property remains agricultural land (AG-A). Repealed.~~

Source: 27 SDR 9, effective August 7, 2000; 30 SDR 211, effective July 1, 2004.

General Authority: SDCL 10-1-16.1.

Law Implemented: SDCL 10-1-15, 10-1-16, 10-6-33.1, 10-6-33.14.

64:04:01:25. Formula used to test whether property is NA-Z when a soil survey is not available. The formulas to be used to test if property is NA-Z when a soil survey is not available are as follows:

~~(1) Bare land formula:~~

~~(a) Total assessed value of all agricultural land in county divided by total assessed acres of all ag land in county = county average assessed dollar per acre (from abstract);~~

~~(b) Assessed value of land in sale divided by number of acres in sale = sale parcel average assessed dollar per acre;~~

~~(c) Sale parcel average assessed dollar per acre divided by county average assessed dollar per acre = parcel ratio;~~

~~(d) Average rental rate of crop land multiplied by parcel ratio = parcel cash rent;~~

~~(e) Parcel cash rent less parcel taxes = parcel income;~~

~~(f) Parcel income divided by .0775 (7.75% capitalization rate) = capitalized income value;~~

~~(g) Capitalized income value multiplied by 1.5 = 150% of agricultural income value;~~

~~(h) Selling price of land only divided by number of acres = selling price per acre.~~

~~If the selling price per acre is more than the 150% agricultural income value, the property is NA-Z. If the selling price per acre is less than the 150% agricultural income value, the property remains agricultural land (AG-A).~~

~~(2) Land with buildings formula:~~

~~(a) Assessed value of land divided by total assessed value of parcel = land ratio;~~

~~(b) Selling price multiplied by land ratio = selling price of land only;~~

~~(c) Total assessed value of all agricultural land in county divided by total assessed acres of all ag land in county = county average assessed dollar per acre (from abstract);~~

~~(d) Assessed value of land in sale divided by number of acres in sale = sale parcel average assessed dollar per acre;~~

~~(e) Sale parcel average assessed dollar per acre divided by county average assessed dollar per acre = parcel ratio;~~

~~(f) Average rental rate of crop land multiplied by parcel ratio = parcel cash rent;~~

~~(g) Parcel cash rent less parcel taxes = parcel income;~~

~~(h) Parcel income divided by .0775 (7.75% capitalization rate) = capitalized income value;~~

~~(i) Capitalized income value multiplied by 1.5 = 150% of agricultural income value;~~

~~(j) Selling price of land only divided by number of acres = selling price per acre.~~

~~If the selling price per acre is more than the 150% agricultural income value, the property is NA Z. If the selling price per acre is less than the 150% agricultural income value, the property remains agricultural land (AG-A). Repealed.~~

Source: 27 SDR 9, effective August 7, 2000; 30 SDR 211, effective July 1, 2004.

General Authority: SDCL 10-1-16.1.

Law Implemented: SDCL 10-1-15, 10-1-16, 10-6-33.1, 10-6-33.14.

64:04:01:29. Definitions for determining agricultural income value. ~~Terms used in §§ 64:04:01:30 and 64:04:01:31 mean:~~

~~(1) "Arms-length transaction," has the same meaning as defined in SDCL 10-11-56, but does not include any agricultural land sales subject to the provisions of SDCL 10-6-33.14, 10-6-33.20, or 10-6-74;~~

~~(2) "Equalized average dollar per acre," the county-wide equalized value of all agricultural land (AG-A and AG-SL abstract class) divided by the number of acres of agricultural land (AG-A and AG-SL abstract class) from assessment year;~~

~~(3) "Rent," average three-year cropland rent for cropland and average three-year pastureland rent for noncropland from the previous year as provided by the United States Department of Agricultural Statistics Service;~~

~~(4) "Tax rate," the county-wide tax rate for agricultural property located outside corporate limits, as taken from the recapitulation of tax list for taxes payable in the current year, as prepared by the county auditor;~~

~~(5) "Percent cropland," percent of land in farms in cropland according to the United States Department of Agricultural Statistics 2002 Census of Agriculture. Repealed.~~

Source: 29 SDR 177, effective July 2, 2003; 32 SDR 58, effective October 25, 2005.

General Authority: SDCL 10-1-16.1.

Law Implemented: SDCL 10-1-15, 10-1-16, 10-6-33.1, 10-6-33.14, 10-6-33.24, 10-6-33.25.

64:04:01:30. Assessing agricultural land when there are less than fifteen arms-length transactions. ~~If there are less than fifteen arms-length transactions of agricultural land during the three preceding assessment years, the director of equalization may determine the market value of the agricultural land based on the following formula:~~

~~(1) Equalized average dollar per acre from previous assessment year times tax rate = taxes per acre;~~

~~(2) Three year crop cash rent minus taxes per acre from subdivision (1) = net crop cash rent. Three year pastureland cash rent minus taxes per acre from subdivision (1) = net non-crop cash rent;~~

~~(3) Net crop cash rent divided by 7.75 percent = ag income value per acre for county cropland. Net non-crop cash rent divided by 7.75 percent = ag income value per acre for county non-cropland;~~

~~(4) The ag income value per acre for county cropland shall be projected to top dollar based on the county weighted rating of cropland only;~~

~~(5) The ag income value per acre for county non-cropland shall be projected to top dollar based on the county weighted rating of non-cropland only. Repealed.~~

Source: 29 SDR 177, effective July 2, 2003; 32 SDR 69, effective November 7, 2005.

General Authority: SDCL 10-1-16.1.

Law Implemented: SDCL 10-1-15, 10-1-16, 10-6-33.1, 10-6-33.14, 10-6-33.24, 10-6-33.25.

Example: Assume County A has (1) a three year average cash rent of \$16.10 an acre for crops and \$8.80 an acre for pastureland (non-cropland); (2) average taxes per acre is \$1.56; (3) the weighted rating of the crop soils is .712605; (4) the weighted rating of the pastureland is .308918; and (5) the best pastureland in the county has a rating of .63.

~~The net cash rent for the cropland is \$14.54 (\$16.10 — \$1.56). The net cash rent for the pastureland is \$7.24 (\$8.80 — \$1.56). Both net cash rents are capitalized at 7.75%, for an ag income value of \$187.61 for the cropland and \$93.42 for the pastureland.~~

~~The ag income values are divided by the weighted ratings, to arrive at the indicated value for the best crop and pastureland in the county. This indicates a value of \$263.28 ($\$187.61 / .712605$) an acre for the best cropland in the county. This indicates \$190.52 ($\$93.42 / .308918 * .63$) an acre for the best pastureland in the county.~~

64:04:01:30.01. Director of equalization permitted to make adjustments to values when using ~~cash rent~~ productivity valuation to establish value. The county director of equalization may adjust values when using the ~~cash rent~~ productivity valuation method of valuing agricultural land. The adjustments shall be made equitably and uniformly. Any adjustment made shall be based on documented evidence that the adjustment is necessary for equalization of values. When making any adjustment, the director of equalization shall:

- (1) Identify the adjustment and give the reasoning for making the adjustment;
- (2) Identify the amount of the adjustment and the methodology used to determine the amount of the adjustment;
- (3) Identify the methodology used to apply the adjustment to all the properties that received the adjustment; and
- (4) Provide to the department a printout of the land inventory for assessed acres showing soil survey map units, capability rating used for each map unit, dollar values, and acres for each map unit for the current assessment year. The printout shall show this information for each

organized township, by township/range for each unorganized township in the county, and also contain a county-wide summary of the information.

The adjustment, and the documentation supporting the adjustment, shall be reported to the department at the same time information is submitted pursuant to § 64:04:01:31.

Source: 32 SDR 58, effective October 25, 2005.

General Authority: SDCL 10-1-16.1.

Law Implemented: SDCL 10-1-15, 10-1-16.1, 10-6-33, ~~10-6-33.25~~, 10-6-33.28, 10-6-33.31.

64:04:01:31. Establishing equalization factor. ~~When determining the equalization factor for agricultural property in a county with less than 15 sales of agricultural properties in three years, the department may use the same procedure as described in § 64:04:01:30.~~

For the department to accurately establish the equalization factors, each county shall supply the following information no later than January 1 of the year the factor is to be established:

- (1) Summary of changes made to assessments for the current assessment year;
- (2) Printout of county-wide abstract reflecting changes made for the current assessment year;
- (3) Printout or electronic file of sales for the last assessment year showing current year assessment. If there are less than fifteen sales of ~~either agricultural or nonagricultural~~ property, the county shall supply this same information, for the number of years necessary to obtain the fifteen sales; and

(4) A county-wide printout of the land inventory for assessed acres showing soil survey map units, capability rating used for each map unit, dollar values and acres for each map unit for the current assessment year.

Source: 29 SDR 177, effective July 2, 2003; 32 SDR 58, effective October 25, 2005.

General Authority: SDCL 10-1-16.1.

Law Implemented: SDCL 10-1-15, 10-1-16, ~~10-6-33.1, 10-6-33.14~~, 10-3-41, 10-12-44, 10-13-37.

64:04:01:31.01. Department to review adjustments for consideration in determining equalization factor. To determine the agricultural equalization factor for a county, the department shall consider information submitted pursuant to § 64:04:01:31 The department shall also consider any evidence submitted for value adjustments made when using the ~~cash-rent~~ productivity valuation method of valuing agricultural land. The department shall review these adjustments to determine if such adjustments were necessary, based on the supported documentation, and made uniformly and equitably.

Source: 32 SDR 58, effective October 25, 2005.

General Authority: SDCL 10-1-16.1.

Law Implemented: SDCL 10-1-15, 10-1-16.1, 10-6-33, ~~10-6-33.24~~, 10-6-33.28, 10-3-41, 10-12-44, 10-13-37.

64:04:01:36. Adjustments to agricultural land with limited use and review of adjustments. Agricultural land with crop-rated soils shall be valued as non-cropland if it is actually limited to non-crop uses by:

(1) a permanent easement,

- (2) a contractual provisions imposed by the Office of Schools and Public Lands, or
- (3) ordinances limiting the land to non-crop uses because of proximity to water supplies.

The owner of such property shall notify the county Director of Equalization of the limited use and provide a copy of the easement or ordinance. The Office of School and Public Lands shall provide a list of all contracts under subdivision (2) to the county Director of Equalization where the property is located.

For purposes of this section, the term “permanent easement” means an easement recorded in the county register of deeds office limiting the use of the land to non-crop purposes. The easement must run for at least 29 years from the date it was first created.

Each Director of Equalization shall review all property adjusted pursuant to this section at least every five years. The review shall include verification with the owner that the land is still limited to non-crop uses by a permanent easement or a contractual provision imposed by the Office of School and Public Lands.

Source:

General Authority: 10-6-33.13(8)

Law Implemented: 10-6-33.31(2)

ARTICLE 64:75

ALCOHOLIC BEVERAGES

Chapter

64:75:01 Definitions and general provisions.

64:75:02 Licensing procedures.

- 64:75:03 Alcoholic beverages (except malt beverages) -- Unfair practices.
- 64:75:04 Alcoholic beverages (except malt beverages) -- Interpretive rules.
- 64:75:05 Alcoholic beverages (except malt beverages) -- Occupational taxes.
- 64:75:06 Malt beverages -- Interpretive rules.
- 64:75:07 Malt beverages -- Occupational taxes.
- 64:75:08 Malt beverages -- Unfair practices.
- 64:75:09 Age restrictions -- Interpretive rules, Repealed.

CHAPTER 64:75:04

ALCOHOLIC BEVERAGES (EXCEPT MALT BEVERAGES) -- INTERPRETIVE RULES

Section

- 64:75:04:01 Scope of chapter.
- 64:75:04:02 Thirty-day credit.
- 64:75:04:03 Check as payment.
- 64:75:04:04 Bad checks.
- 64:75:04:05 Retail delinquency.
- 64:75:04:06 Granting financial assistance to licensees.
- 64:75:04:07 and 64:75:04:08 Repealed.
- 64:75:04:09 Commercial bribery.
- 64:75:04:10 Alcoholic beverages as samples -- Consumer advertising specialties.
- 64:75:04:11 Samples -- Records and reports required.

64:75:04:12	Sale and delivery in entirety.
64:75:04:13	Advertising.
64:75:04:14	Certain inducements prohibited.
64:75:04:15 and 64:75:04:16	Repealed.
64:75:04:17	Miscellaneous disposition of liquors.
64:75:04:18	New placement items -- Special marking required.
64:75:04:19	Prohibited without special marking.
64:75:04:20	Invoicing of samples.
64:75:04:21	Authorized bottle and container sizes -- Request for variation.
64:75:04:22	Repealed.
64:75:04:23	Drop shipment to retailers.
64:75:04:24	Group wine tasting.

64:75:04:21. Authorized bottle and container sizes --~~Request for variation.~~

Suppliers and distiller, wholesaler, or vintner licensees may offer alcoholic beverages, ~~except malt beverages,~~ for sale to on-sale and off-sale retail licensees ~~only in liter and 750 milliliter bottles and containers.~~ any size bottle or container that is offered by an industry member.

~~Champagnes, table wines, cordials, liqueurs, and similar specialty items may be sold to retail on-sale licensees in any size bottle or container exceeding 186 milliliters that is offered by an industry member. Containers in the 1.75 liter size may be sold to retail licensees using mechanical dispensing systems.~~

~~A mechanical dispensing system is one that pours a premeasured amount of an alcoholic beverage and is electronically or electromechanically operated. Any system that requires human~~

~~intervention to measure the amount of alcoholic beverage to be poured is not a mechanical dispensing system.~~

~~Miniature bottles of 50 milliliters and 100 milliliters may be sold to carrier licensees, military installations, and hotels or motels authorized to operate minibars pursuant to SDCL 35-4-101 and 35-4-102.~~

~~Any wholesaler or vintner may offer alcoholic beverages, except malt beverages, for sale to off-sale package licensees in any size bottle or container that is offered by an industry member.~~

~~The provisions of this section apply to all equivalent nonmetric sizes.~~

~~A distiller, vintner, or wholesaler who proposes to sell wine or distilled spirits in containers other than the capacities authorized in this section shall request permission from the secretary prior to release to licensed wholesalers or retailers. The request shall state the brand name, size of container, units per case or carton, alcoholic content by volume or proof, and proposed date of marketing.~~

Source: SL 1975, ch 16, § 1; 2 SDR 2, effective July 17, 1975; 4 SDR 35, effective December 22, 1977; 11 SDR 1, effective July 19, 1984; 13 SDR 129, 13 SDR 134, effective July 1, 1987; 16 SDR 76, effective November 1, 1989; 17 SDR 4, effective July 18, 1990; 21 SDR 219, effective July 1, 1995; 22 SDR 166, effective June 5, 1996; 31 SDR 214, effective July 6, 2005.

General Authority: SDCL 35-10-1(1).

Law Implemented: SDCL 35-10-1(8).

CHAPTER 64:75:08

MALT BEVERAGES -- UNFAIR PRACTICES

Section

64:75:08:01	Sale for cash.
64:75:08:02	Gifts or loans to retailers prohibited -- Interest in retail business prohibited -- Exceptions.
64:75:08:03	Advertising.
64:75:08:04	Retailer participation in violation.
64:75:08:05	Sale of consumer advertising specialties to retailer.
64:75:08:06	Repealed.
64:75:08:07	Insufficient funds check.
64:75:08:08	Retail delinquency.
64:75:08:09	Financial assistance to licensee.
64:75:08:10	Certain inducements prohibited.
64:75:08:11	Commercial bribery.
<u>64:75:08:12</u>	<u>Conformity to price schedule.</u>
<u>64:75:08:13</u>	<u>Maintenance of price schedule.</u>

64:75:08:12. Conformity to price schedule. In all sales of malt beverages to all retailers, each wholesaler shall conform strictly to the prices set forth in the wholesaler's price schedule and effective amendments thereto. No wholesaler may make sales to retailers at a greater or lesser price than as specified in the price schedule.

Source:

General Authority: SDCL 35-10-1.

Law Implemented: SDCL 35-10-1(6).

64:75:08:13. Maintenance of price schedule. Each wholesaler must maintain a complete schedule of all prices to be charged free on board, the municipality of shipment, for each brand of malt beverages in a form authorized by the secretary. The price schedule shall specify the unit price per case for malt beverages of each brand and the unit price per bottle, or other container, for all malt beverages sold. The size of the bottle or other container shall be specified.

Each wholesaler must maintain its price schedule at its principal place of business, and leave the price schedule open to inspection by the secretary or his/her agent's during normal business hours. Each price schedule shall be maintained for a period of one year.

Source:

General Authority: SDCL 35-10-1.

Law Implemented: SDCL 35-10-1(6).