

HAND COUNTY BOARD OF COMMISSIONERS

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<http://hand.sdcounties.org/commissioner>
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RESOLUTION 2022-26

A RESOLUTION EXPANDING THE DISCRETIONARY FORMULA

WHEREAS, the County of Hand, State of South Dakota has deemed it in the best interest of the County to adopt a Resolution implementing a Discretionary Formula for the reduced taxation of new structures and additions and partially constructed structures pursuant to SDCL 10-6-137.

NOW, THEREFORE, BE IT RESOLVED, that the following properties shall be, and hereby are, specifically classified for the purpose of taxation pursuant to SDCL § 10-6-137(5), (6), and (7):

Any new commercial residential structure, or addition to an existing structure, containing four or more units, if the new structure or addition has a full and true value of thirty thousand dollars or more (SDCL § 10-6-137(5));

Any new affordable housing structure containing four or more units with a monthly rental rate of the units at or below the annually calculated rent for the state's sixty percent area median income being used by the South Dakota Housing Development Authority, for a minimum of ten years following the date of first occupancy, if the structure has a full and true value of thirty thousand dollars or more (SDCL § 10-6-137(6));

Any new residential structure, or addition to or renovation of an existing structure, located within a redevelopment neighborhood established pursuant to SDCL § 10-6-141 if the new structure, addition, or renovation has a full and true value of five thousand dollars or more. The structure shall be located in an area defined and designated as a redevelopment neighborhood based on conditions provided in SDCL § 11-7-2 or 11-7-3 (SDCL § 10-6-137(7));

BE IT FURTHER RESOLVED, that any structure classified pursuant to this Resolution shall, following construction, initially be valued for taxation purposes in the usual manner, and that value shall be referred to in this Resolution as the "Pre-Adjustment Value"; and

BE IT FURTHER RESOLVED, that the assessed value to be used for tax purposes of any structure classified pursuant to 10-6-137(5), (6), and (7) be calculated at a no more than twenty-five percent in the first or second year, no more than fifty percent in the third or fourth year, no more than seventy-five percent in the fifth or sixth year, and one hundred percent in the seventh year; and

BE IT FURTHER RESOLVED, that the assessed value to be used for tax purposes of any structure classified pursuant to this Resolution shall, following construction, be calculated as follows:

- a. For the first tax year following construction, 25% of the Pre-Adjustment Value;
- b. For the second tax year the following construction, 25% of the Pre-Adjustment Value;
- c. For the third tax year following construction, 50% of the Pre-Adjustment Value;
- d. For the fourth tax year following construction, 50% of the Pre-Adjustment Value;
- e. For the fifth tax year following construction, 75% of the Pre-Adjustment Value;

- f. For the sixth tax year following construction, 75% of the Pre-Adjustment Value;
- g. For the seventh tax year following construction, 100% of the Pre-Adjustment Value; and

BE IT FURTHER RESOLVED, that the Board of County Commissioners may, if requested by the owner of any of the above-described property, not apply the above formula, in which case the full assessment shall be made without application of the formula. In waiving this formula for the structure of one owner, the Board of County Commissioners is not prohibited from applying the formula for subsequent new structures by that owner; and

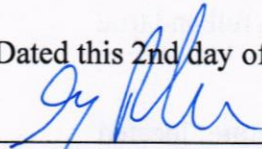
BE IT FURTHER RESOLVED, that for purpose of this Resolution, the assessed valuation during any of the seven years may not be less than the assessed valuation of the property year preceding the first year of the tax years following construction; and

BE IT FURTHER RESOLVED, that any structure that is partially constructed on the assessment date may be valued for tax purposes pursuant to this Resolution and the valuation may not be less than the assessed valuation of the property in the year preceding the beginning of construction; and

BE IT FURTHER RESOLVED, that following the seven-year period under this section, the property shall be assessed at the same percentage as is all other property for tax purposes.

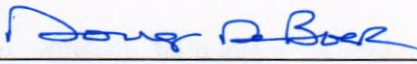
Approved this 2nd day of August, 2022 upon there being 5 votes in favor of, and 0 votes against the enactment of this resolution.

Dated this 2nd day of August, 2022.



Greg Palmer, Chairman

Attest:



Doug DeBoer, Auditor

