

## TAXING AND BORROWING AUTHORITY/LIMITATIONS

### **TAXING**

State law establishes the district's taxing authority. The district establishes levies in accordance with South Dakota Property Tax Law, which may change annually. The governing body of the school district may impose an excess tax levy with an affirmative two thirds vote of the governing body on or before July fifteenth of the year prior to the year taxes are payable. The decision may be referred upon a resolution of the governing body of the school district or by a petition signed by at least five percent of the registered voters in the school district.

For capital outlay funds, the tax levy cannot exceed 3 dollars per thousand dollars on the taxable valuation of the district, and for special education funds, the tax levy cannot exceed one dollar and forty cents per thousand dollars on taxable valuation. For taxes payable in 2011, 2012, 2013, 2014, and 2015, the levy limitation of one dollar and forty cents per thousand dollars of taxable valuation does not apply to any school district.

### **BORROWING**

By law, the Board is permitted to borrow money in anticipation of the collection of taxes for the purpose of securing funds for school operations. The amount of money borrowed cannot exceed the sum of 95 percent of the amount of uncollected taxes levied for the current school fiscal year, plus other uncollected receivables (including state or federal money, not yet received, but) owed to the district.

#### **Legal References:**

SD Constitution Article 13 §5 Irrepealable tax to repay debt of municipality  
SDCL 10-12-29 Annual school district levy report  
SDCL 10-12-42 Annual levy for general fund  
SDCL 10-12-43 Excess tax levy authorized  
SDCL 10-13-36 Excess tax levy authorized  
SDCL 13-10-6 Tax levy for school retirement system  
SDCL 13-15-12 Financing of interstate joint facilities  
SDCL 13-15-13 Location of Interstate joint facilities  
SDCL 13-16-10 Annual levy to pay district bonds  
SDCL 13-16-11 Levy of annual tax to pay district bonds  
SDCL 13-16-12 Refunding bond proceeds in bond redemption fund  
SDCL 13-16-13 Tax proceeds paid into bond redemption fund  
SDCL 13-16-14 Restriction on transfers from bond redemption fund  
SDCL 13-19 School district bonds and notes  
SDCL 13-37-16 District tax levy for special education

1<sup>st</sup> Reading-1/19/2016  
2<sup>nd</sup> Reading-2/16/2016  
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