

## **TITLE 20 TAX**

(Title 20 replaced in its entirety effective 11/11/05, Ordinance 2005-16)

Chapters:

- 20.01: General Provisions
- 20.02: Municipal Sales and Service Tax and Use Tax
- 20.03: Special Bed, Board, Booze and Ticket Sales Tax

### **CHAPTER 20.01 GENERAL PROVISIONS**

SECTIONS:

- 20.01.01: Scope and Purpose
- 20.01.02: Definitions
- 20.01.03: Penalty

#### **20.01.01: SCOPE AND PURPOSE**

The purpose of this Title is to provide additional needed revenue for the municipality of Sturgis, Meade County, South Dakota, by imposing a municipal retail sales and use tax pursuant to the powers granted to the municipality by the State of South Dakota, by SDCL 10-52 entitled Uniform Municipal Non-Ad Valorem Tax Law, and acts amendatory thereto and by imposing a municipal gross receipts tax pursuant to the powers granted to the municipality by the State of South Dakota, by SDCL 10-52A, and acts amendatory thereto.

#### **20.01.02: DEFINITIONS**

Reserved

#### **20.01.03: PENALTY**

Any person failing or refusing to make reports or payments prescribed by this Title and the rules and regulations relating to the ascertainment and collection of the tax herein levied shall be guilty of a Class 2 misdemeanor punishable by the maximum punishment set forth by the laws of the state of South Dakota pursuant to SDCL 22-6-2. In addition, all such collection remedies authorized by SDCL 10-45, and acts amendatory thereto, and SDCL 10-46, and acts amendatory thereto are hereby authorized for the collection of these excise taxes by the Department of Revenue and Regulation.

**Chapter 20.02**  
**MUNICIPAL SALES AND SERVICE TAX AND USE TAX**

**SECTIONS:**

- 20.02.01: Effective Date and Enactment of Tax
- 20.02.02: Use Tax
- 20.02.03: Capital Improvement and Equipment Replacement Funds
- 20.02.04: Pledging of Sales Tax Revenue
- 20.02.05: Collection
- 20.02.06: Interpretation

**20.02.01: EFFECTIVE DATE AND ENACTMENT OF TAX**

From and after the 1<sup>st</sup> day of January, 2004, there is hereby imposed as a municipal retail occupational sales and service tax upon the privilege of engaging in business a tax measured by two percent (2%) on the gross receipts of all persons engaged in business within the jurisdiction of the municipality of Sturgis, Meade County, South Dakota, who are subject to the South Dakota Retail Occupational Sales and Service Tax, SDCL 10-45 and acts amendatory thereto.

**20.02.02: USE TAX**

In addition there is hereby imposed an excise tax on the privilege of use, storage and consumption within the jurisdiction of the municipality of tangible personal property or services purchased from and after the 1<sup>st</sup> day of January, 2004, at the same rate as the municipal sales and service tax upon all transaction or use, storage and consumption which are subject to the South Dakota Use Tax Act, SDCL 10-46, and acts amendatory thereto.

**20.02.03: CAPITAL IMPROVEMENT AND EQUIPMENT REPLACEMENT FUNDS**

At least forty percent (40%) of the tax levied under this Title pursuant to Section 20.02.01 and 20.02.02, shall be used only for capital improvements, public improvement repairs, land acquisition, debt reduction, increase committed Fund Balance (reserve accumulation) and/or the purchase of machinery and equipment. This revenue shall be accounted for in separate funds as established in the annual budget.

(Revision of 20.02.03 effective 05-15-2018 by Ordinance 2018-05)

**20.02.04: PLEDGING OF SALES TAX REVENUE**

The City Council by resolution or ordinance may make a pledge of all or a specific portion of the revenue to be received in accordance with Section 20.02.03, to secure indebtedness, including leases, installment sales contracts or other obligations, incurred for the purposes stated in said section.

**20.02.05: COLLECTION**

Such tax is levied pursuant to authorization granted by SDCL 10-52 and acts amendatory thereto, and shall be collected by the South Dakota Department of Revenue and Regulation in accordance with the same rules and regulations applicable to the State Sales Tax and under such additional rules and regulations as the Secretary of Revenue and Regulation of the State of South Dakota shall lawfully prescribe.

**20.02.06: INTERPRETATION**

It is declared to be the intention of this Title and the taxes levied hereunder that the same shall be interpreted and construed in the same manner as all sections of the South Dakota Retail Occupation Sales and Service Act, SDCL 10-45 and acts amendatory thereto and the South Dakota Use Tax, SDCL 10-46 and acts amendatory thereto, and that this shall be considered a similar tax except for the rate thereof to that tax.

**CHAPTER 20.03**  
**SPECIAL BED, BOARD, BOOZE, AND TICKET SALES TAX**

**SECTIONS:**

- 20.03.01: Effective Date and Enactment of Tax
- 20.03.02: Collection
- 20.03.03: Interpretation
- 20.03.04: Use of Revenue

**20.03.01: EFFECTIVE DATE AND ENACTMENT OF TAX**

From and after the 1<sup>st</sup> day of January, 2004, there is hereby imposed as a municipal gross receipts tax of one percent (1%) upon the gross receipts from the sale of leases or rentals of hotel, motel, campsites or other lodging accommodations within the municipality for period of less than twenty-eight (28) consecutive days, the sale of alcoholic beverages as defined in SDCL 35-1-1, establishments where the public is invited to eat, dine or purchase and carry out prepared food for immediate consumption, and ticket sales or admissions to places of amusement, athletic and cultural events. The tax applies to the gross receipts of all persons engaged in business within the jurisdiction of the municipality of the City of Sturgis, Meade County, South Dakota, who are subject to the South Dakota Retail occupational Sales and Service Tax, SDCL 10-45 and acts amendatory thereto.

**20.03.02: COLLECTION**

Such tax is levied pursuant to authorization granted by SDCL 10-52A and acts amendatory thereto, and shall be collected by the South Dakota Department of Revenue and Regulation in accordance with the same rules and regulations applicable to the State Sales Tax and under such additional rules and regulations as the Secretary of Revenue and Regulation of the State of South Dakota shall lawfully prescribe.

**20.03.03: INTERPRETATION**

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

**20.03.04: USE OF REVENUE**

Any revenues received under this ordinance may be used only for the purpose of land acquisition, architectural fees, construction costs, payment for civic center, auditoriums or athletic facility buildings, including the maintenance, staffing and operations of such facilities, and the promotion and advertising of the municipality, its facilities, attractions and activities.

(Title 20 replaced in its entirety effective 11/11/05, Ordinance 2005-16)