



# Policy Update

**November 1, 2024**

## **Upcoming Election Day – Remember to Vote**

The South Dakota General Election is on November 5, 2024. South Dakota Farm Bureau is encouraging members to participate and vote on key issues and candidates in our state. Your vote is a direct way to influence decisions affecting South Dakota.

Click [here](#) for more information on South Dakota Farm Bureau's positions on ballot measures.

Click [here](#) for more information on the election.

## **Property Tax Ballot Measure Proposed**

A ballot measure that would limit annual property tax assessment increases for **non-agricultural property**, which would be on the **2026** general election ballot if approved, has been submitted for public review by the South Dakota Attorney General's Office. The measure, if passed by the public, would limit the annual property tax assessment increase on all non-agricultural property to no more than 2.25% of a base amount starting with the 2027 assessment year. In other words, if an individual owns a commercial business, rental property, mansion, or modest home in South Dakota, the assessed value of that structure would revert back to 2020 levels and only increase at a rate of 2.25% per year. Structures built after 2027 would be taxed at the fair market value, but still receive the 2.25% increase from post-2027 date of construction. Below are a few concerns over the proposed 2026 ballot measure.

- This proposed measure is similar to California's failed Proposition 13 that led to an unfair system and distorted markets.
- The proposed measure does not fix the issue of lowering property taxes. In South Dakota, property taxes can be lowered one of three ways:
  1. Reduce the need for property tax dollars (i.e. reduce local spending).
  2. Shift the burden to another class of property. This measure has the potential to shift the burden from large commercial buildings in Sioux Falls to local farmers and ranchers.
  3. Find alternative revenue sources (i.e. have the State of South Dakota pay more of the bill instead of local property taxpayers).

To learn more about the potential ballot measure, please click [here](#).

## **Horse Brand Lifetime Inspection Fee Change**

The South Dakota Brand Board recently requested an increase in the lifetime horse brand inspection fee. The fee increased from \$20 to \$40. All cattle, horses and mules are required by South Dakota law to be brand inspected prior to leaving the South Dakota Ownership Inspection Area. The animal itself does not have to be branded. The animal only needs to be brand inspected. The South Dakota Ownership

Inspection Area is comprised of all counties located west of the Missouri River in South Dakota. The Rules Review Legislative Committee approved the change.

Click [here](#) for more information on horse brand inspection.

**Contact for Questions**

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