



# Property Tax Relief Programs

## Disabled Veteran Exemption

SDCL 10-4-40

Property must be owned and occupied by a veteran rated as permanently and totally disabled as the result of a service-connected disability. Un-remarried widows/widowers may be eligible.

The approved exemption remains until the property is transferred or sold.

First \$150,000 of valuation exempted from taxation.

Deadline: November 1

Contact your County Director of Equalization for more information.

## Freeze on Assessments for Disabled and Senior Citizens

SDCL 10-6A

Individual must be 65 years of age or legally disabled and own and occupy the property or retain a life estate. Un-remarried widows/widowers may also be eligible.

Prevents the homeowner's property from increasing in value for tax purposes. Income limits apply.

Deadline: April 1

Contact your County Treasurer for more information.

## Paraplegic Veteran Property Tax Exemption

SDCL 10-2-24.10

Property must be owned and occupied by a paraplegic veteran. Un-remarried widows/widowers are also eligible.

Once approved, the exemption remains until the property is transferred or sold.

Exempts a paraplegic veteran's property from all property taxes.

Deadline: November 1

Contact your County Director of Equalization for more information.

## Municipal Property Tax Reduction for the Elderly and Disabled

SDCL 10-6B

*Only available to Rapid City residents.* Income limits apply.

Reduces your city property taxes the year following your application.

Contact the Pennington County Treasurer if you live in Rapid City and need more information.

## Homestead Exemption

SDCL 43-31-1

Individual must be 70 years of age to qualify.

Delays the payment of property taxes until the property is sold. Property taxes will become a lien on the property with interest and penalties added annually. A lower interest rate program is available, with income limits (SDCL 10-6C).

Deadline: April 1

Contact your County Treasurer for more information.

## Property Tax Reduction Program for Paraplegics

SDCL 10-4-24.11

Property must be owned and occupied by a paraplegic or individual with the loss of use of both lower extremities. Un-remarried widows/widowers are also eligible.

Allows for a reduction in the property taxes due using a graduated income scale. Income limits apply.

Deadline: April 1

Contact your County Treasurer for more information.

## Sales and Property Tax Refund

The refund program offers eligible senior citizens and disabled individuals to receive a yearly refund on sales or property taxes. Returns are calculated based on your income.

Eligibility Requirements for Sales Tax Refund:

- Be at least 65 years old on or before January 1 of the current year OR disabled
- Be a South Dakota resident the entire previous year
- Must meet the annual income requirements

To be eligible for the property tax refund, individuals must meet the sales tax requirements, along with one of the following qualifications:

- Owned the house they are currently living in for at least 3 years
- Owned their house for fewer than 3 years but have been a South Dakota resident for 5 years or more

Applications are accepted from May 1 to July 1. Individuals must be approved every year.

Contact the Department of Revenue for more information.

## Inundated Farmlands

SDCL 10-6-126

Landowners with agricultural land inundated by floods and not farmable during the past three growing seasons may submit an application to the director of equalization for a possible valuation reduction.

Deadline: Prior to November 1

The form may be submitted by any landowner, landowner's agent, or attorney to the Director of Equalization in the county the parcel is located in.

## Buffer Strip Program

SDCL 10-6-116

Eligible riparian buffer strips can receive a reduction in the assessed value for property tax purposes. Only land within 120 feet of a listed lake, river, or stream may be classified as a riparian buffer strip and grazing is prohibited from May 1 through September 30. Once approved, the new assessed value of the eligible property will be approved for 10 years or until the property changes use.

Deadline: October 15

Applications must be submitted to the Director of Equalization in the county where the property is located.

## Renewable Resource Property Valuation Exemption Program

South Dakota state law (SDCL 10-4-44) provides a local property tax exemption for renewable energy systems less than 5 megawatts in size.

The exemption is 70% or \$50,000, whichever is greater, of the assessed value of the renewable energy property. The Director of Equalization must assess the entire structure before the exemption is applied. The valuation of the renewable energy property is to be determined through acceptable appraisal process and in the same manner as other property.

The exemption is a continuous exemption for all cases except geothermal. Residential geothermal energy is limited to the first four continuous years. Commercial geothermal facilities receive the exemption for the first three continuous years. The exemption is then applied to the assessed value of the renewable energy property only.

Renewable energy property *does not* qualify for discretionary formula.

Any of the following that are used to produce electricity or energy qualify for this exemption:

- Wind
- Solar
- Biomass
- Hydrogen
- Hydroelectric
- Geothermal

Contact your local Director of Equalization to start the process. There is no application.

## Contact Us

If you have any questions, contact the South Dakota Department of Revenue.

**Call toll-free:** 1-800-829-9188 (option 2)

**Property Tax Division Email:** [proptaxin@state.sd.us](mailto:proptaxin@state.sd.us)

**Website:** <http://dor.sd.gov/>

**Mailing address and office location:**

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