

**CITY OF EGAN, COUNTY OF MOODY  
STATE OF SOUTH DAKOTA  
ORDINANCE NO. 170**

AN ORDINANCE IMPOSING A MUNICIPAL SALES AND SERVICE TAX AND A USE TAX FOR THE MUNICIPALITY OF EGAN, MOODY COUNTY, SOUTH DAKOTA

BE IT ORDAINED BY THE MUNICIPALITY OF EGAN, MOODY COUNTY, SOUTH DAKOTA.

Section 1. **PURPOSE.** The purpose of this Ordinance is to provide additional needed revenue for the Municipality of Egan, Moody 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. Funds raised from this tax will be used for street and road improvements and maintenance. Funds will also be used for repair and replacement of vehicles and equipment used for street and road improvement and maintenance.

Section 2. **EFFECTIVE DATE AND ENACTMENT OF TAX.** From and after the first day of January, 2006, there is hereby imposed 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 Egan, Moody County, South Dakota, who are subject to the South Dakota Retail Occupational Sales and Service Tax, SDCL 10-45 and acts amendatory thereto.

Section 3. **USE TAX.** In addition there is hereby imposed an excise 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 first of January, 2006 at the same rate as the municipal sales and service tax upon all transactions or use, storage and consumption which are subject to the South Dakota Use Tax Act, SDCL 10-46, and acts amendatory thereto.

Section 4. **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.

Section 5. **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 Occupational 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.


Section 6. **PENALTY.** Any person failing or refusing to make reports or payments prescribed by this Ordinance and the rules and regulations relating to the ascertainment and

collection of the tax herein levied shall be guilty of a misdemeanor and upon conviction shall be fined not more than \$200.00 or imprisoned for thirty (30) days or both such fine and imprisonment. 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.

Section 7. SEPARABILITY. If any provision of this Ordinance is declared unconstitutional or the application thereof to any person or circumstances held invalid the constitutionality of remainder of the Ordinance and applicability thereof to other persons or circumstances shall not be affected thereby.

Section 8. REPEAL. When this Ordinance becomes effective, any and all prior ordinances providing for a sales and use tax are repealed.

Dated this 26th day of September 2005.



Tom Steinhauer, Chairman of the Board of Trustees

ATTEST:



Joy R. Chamley, Finance Officer

First Reading: September 21, 2005  
Second Reading and Adoption: September 28, 2005  
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