

Taxing and Borrowing Authority/Limitations**Short-Term Loans**

Bids on interest rates shall be solicited for all short-term loans that the Board has authorized and funds shall be borrowed from the responsible organization offering the most favorable terms.

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 15 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 the maximum levy as set by state law on taxable valuation.

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.

Established by Law

Legal References: Constitution of the State of South Dakota, Article XIII, Section 15; SDCL 10-12-29; 10-12-42; 10-12-43; 10-13-36; 13-10-6; 13-15-12; 13-15-13; 13-15-14.1; 13-15-14.2; 13-16-10; 13-16-11; 13-16-12; 13-16-13; 13-16-14; 13-19-1; 13-19-1.1; 13-19-1.2; 13-19-2; 13-19-2.1; 13-19-3; 13-19-4; 13-19-5; 13-19-6; 13-19-7; 13-19-8; 13-19-8.1; 13-19-9; 13-37-16

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