

RESOLUTION 2024-13
CITY OF HARRISBURG, SOUTH DAKOTA

WHEREAS Initiated Measure 28 was certified for the November 2024 General Election Ballot by the South Dakota Secretary of State;

WHEREAS Initiated Measure 28, if passed, would remove state, municipal and tribal taxes on all items sold for human consumption except alcohol and prepared food;

WHEREAS “human consumption” is undefined in South Dakota Codified Law or the South Dakota Constitution. Black’s Law Dictionary defines “consumption” as “the act of destroying a thing by using it; the use of a thing in a way that exhausts it.”;

WHEREAS South Dakota Codified Law 34-45-1(7) defines tobacco products as “any item made of tobacco intended for human consumption, including cigarettes, cigars, pipe tobacco, and smokeless tobacco, and vapor products as defined in § 34-46-20.”;

WHEREAS South Dakota Codified Law 10-52-2 allows incorporated municipalities to impose a tax on the sale, use, storage and consumption of items that conform in all respects to the state tax on such items up to two percent;

WHEREAS the Attorney General’s explanation of the measure states legislative or judicial clarification would be needed if the measure passes;

WHEREAS The City of Harrisburg levies a two-percent sales tax and collected \$3,068,103.10 in the 2023 fiscal year and \$1,978,587.86 year-to-date in the 2024 fiscal year;

WHEREAS The City of Harrisburg estimates annual lost revenue of \$415,000.00 unless Initiated Measure 28 is rejected by voters in South Dakota;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of Harrisburg, that Initiated Measure 28 would negatively impact the municipal budget in our community.

Dated this 20th day of August, 2024

SEAL

Mayor

ATTEST:

Finance Officer