

RESOLUTION NO. 2024-09

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, Initiated Measure 28 is in direct conflict with existing state law and the Attorney General’s explanation of the measure states legislative or judicial clarification would be needed if the measure passes;

WHEREAS, The City of Alcester levies a two-percent sales tax and collected \$227,081.98 in the 2023 fiscal year and \$133,917.20 year-to-date in the 2024 fiscal year;

WHEREAS, The City of Alcester estimates annual lost revenue of \$52,763.38 unless Initiated Measure 28 is rejected by voters in South Dakota;

NOW, THEREFORE, BE IT RESOLVED, by the Alcester City Council in and for the City of Alcester, Union County, South Dakota, that Initiated Measure 28 would negatively impact our community and its residents.

Adopted this 20th day of August, 2024.

ATTEST:



David Hodgson, Finance Officer

First Reading & Adoption:

Publication:

Effective Date:

CITY OF ALCESTER:



Darla Reppe, Council President

