

PREPARED BY: CITY OF LEAD
801 W. MAIN ST.
LEAD, SD 57754
(605) 584-1401

CITY OF LEAD RESOLUTION # 2024-09

A RESOLUTION IN OPPOSITION TO INITIATED MEASURE 28

The City Commission of the City of Lead, a municipal corporation, meeting in regular session on September 16, 2024, pursuant to SDCL 9-19, motion was made by ____ seconded by ____, that the following resolution be adopted:

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

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, and

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.”, and

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.”, and

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, and

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

WHEREAS, The City of Lead levies a two-percent sales tax and collected \$1,784,831 in the 2023 fiscal year and \$715,587 year-to-date in the 2024 fiscal year, and

WHEREAS, The City of Lead estimates annual lost revenue of \$500,000 unless Initiated Measure 28 is rejected by voters in South Dakota,

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

Those voting aye: ____

Those voting nay:

Motion carried.

Dated this 16th day of September, 2024

CITY OF LEAD:

ATTEST:

Ron Everett, Mayor

John Wainman, City Administrator

(SEAL)