

CHAPTER 46A-7

IRRIGATION DISTRICT ASSESSMENTS AND LEVIES

Section

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46A-7-1. Tolls, charges, and assessments--Expenses covered--Levy of assessments. For the purpose of defraying the expenses of the organization of an irrigation district, and for the purpose of defraying all expenses incurred in formulating a general plan for the proposed operation of an irrigation district including surveys, maps, estimates, examinations, and plans made in order to demonstrate the practicability of such general plan, all as authorized by §§ 46A-5-2 and 46A-5-3, and for the purpose of defraying all expenses related to the care, operation, management, repair, and improvement of such portions of its canal and works as are completed and in use, including salaries of officers and employees, the board of directors of the district may either fix rates of tolls and charges and collect the tolls and charges from all persons using such works for irrigation or other purposes, or may provide for the payment of such expenditures by assessments, or by both tolls and assessments. If by assessment, the levy shall be made upon the completion and equalization of the assessment roll in accordance with the benefit received; and the board has the same powers and functions for the purposes of the levy as are now possessed by boards of county commissioners in this state. The assessment shall be collected as provided in this chapter.

Source: SDC 1939, § 61.0921; SDCL § 46-15-1; SL 1976, ch 277, § 16; SL 2011, ch 165, § 415.

46A-7-2. Expenses for completion of irrigation system--Issuance of additional bonds or levy of assessment. In lieu of the issuance of additional bonds as authorized by § 46A-6-45, the board of directors may provide for the completion of the irrigation system of the district by the levy of an assessment therefor, in the same manner in which the levy of an assessment is made for the other purposes provided for in this chapter.

Source: SDC 1939, § 61.0921; SDCL, § 46-15-2.

46A-7-3. Special assessment--Submission of question of levy--Notice of election--Authorization by majority of votes--Levy of assessment--Entry upon assessment roll and tax list--Collection. The board of directors may at any time call a special election and submit to the qualified electors of the district the question whether or not a special assessment shall be levied for the purpose of raising money to be applied for any of the purposes provided for in chapters 46A-4 to 46A-7, inclusive. The election shall be called upon the notice prescribed, and the election shall be held and the result of the election determined and declared in all respects in conformity with the provisions of chapters 46A-4 to 46A-7, inclusive. The notice shall specify the amount of money proposed to be raised, and the purpose for which it is intended to be raised. The ballots shall contain the words "Assessment--Yes," "Assessment--No." If a majority of the votes are "Assessment--Yes," the board shall, at the time of the annual levy, levy an assessment sufficient to raise the amount voted. The assessment shall be

entered upon the assessment roll and upon the tax list by the county auditor and collected at the same time and in the same manner as other assessments. All revenue laws of this state for the collection of real estate taxes and sale of land for taxes apply to the assessment provided for in this section. When collected, the assessment shall be paid by the county treasurer to the district treasurer for the purpose specified in the notice of the special election.

Source: SDC 1939, § 61.0923; SDCL § 46-15-3; SL 2011, ch 165, § 416.

46A-7-3.1. Eligibility to vote on special assessment. Only those electors whose land may be specially assessed to raise funds are eligible to vote in an election held pursuant to the provisions of § 46A-7-3.

Source: SL 1984, ch 295, § 2.

46A-7-4. Apportionment of benefits accruing to land by irrigation--Basis for annual assessments. The director of equalization shall, between the first Monday in May and the first Monday in July in each year, examine each tract or legal subdivision of land in an irrigation district including entered and unentered public lands of the United States, subject to the irrigation district under the act of Congress approved August 11, 1916, entitled "An Act to promote the irrigation of arid lands," as amended to January 1, 2011. The director of equalization shall determine the benefits that will accrue to each tract or subdivision on account of the construction or acquisition of the irrigation works. The amount so apportioned or distributed to each tract or subdivision as finally equalized or confirmed by the court, as the case may be, is the basis for fixing the annual assessments levied against the tracts or subdivisions in carrying out the purposes of chapters 46A-4 to 46A-7, inclusive.

Source: SDC 1939, § 61.0904; SL 1949, ch 435, § 1; SDCL § 46-15-4; SL 2011, ch 165, § 417.

46A-7-5. Apportionment of benefits to land by irrigation works--Assessment made in lieu of bonds or other authorized obligations--Assessment not invalid because in name of wrong person. Whenever any assessment is made either in lieu of bonds, or in any annual levy for raising the interest on bonds, or any portion of the principal or the expenses of maintaining the property of the district or any special assessment voted by the electors, it shall be spread upon the lands in proportion to the benefits received, and the whole of the assessment of benefits shall equal the amount of bonds or other obligations authorized at the election last above mentioned. The assessment of any property in the name of the wrong person shall in no way invalidate the assessment thereof.

Source: SDC 1939, § 61.0904; SL 1949, ch 435, § 1; SDCL, § 46-15-5.

46A-7-6. List of apportionment or distribution--Contents--Map of each subdivision with rate of apportionment--Copy filed with department. The director of equalization shall make a list of the apportionment or distribution. The list shall contain a complete description of each subdivision or tract of land of the district, with the amount and rate per acre of the apportionment or distribution of cost and the name of the owners of the subdivision or tract. Alternatively, the director of equalization may prepare a map on a convenient scale showing each of such subdivisions or tracts with the rate per acre of the apportionment entered on the map. If all lands on any map or section of a map are assessed at the same rate, a general statement to that effect is sufficient. The list or map shall be made in duplicate, one of which shall be filed in the office of the Department of Environment and Natural Resources and the other shall remain in the office of the board of directors for public inspection.

Source: SDC 1939, § 61.0904; SL 1949, ch 435, § 1; SDCL § 46-15-6; SL 2011, ch 165, § 418.

46A-7-7. Assessments to meet obligations of contracts with United States--Apportionment of benefits unnecessary under contract. If any irrigation district, organized under the laws of this state, has contracted with the United States for a supply of water for the irrigation of lands within the district, the construction of irrigation

or drainage works, or the operation of such works, or both, or other purposes authorized by law, the board of directors may make the assessments intended to meet the obligations of the district under the contract in accordance with the method and terms as provided by the contract. No apportionment of benefits by the director of equalization is necessary if so provided in the contract.

Source: SDC 1939, § 61.0904; SL 1949, ch 435, § 1; SDCL § 46-15-7; SL 2011, ch 165, § 419.

46A-7-8. Delivery of assessment roll to secretary--Notice of equalization meeting--Time for meeting--Roll available for inspection. On or before the fifteenth day of July in each year, the director of equalization shall complete the assessment roll and deliver it to the secretary of the board of directors. The board shall immediately give notice of the assessment and of the time the board of directors, acting as a board of equalization, will meet to equalize assessments, by publication once each week for at least two consecutive weeks in a newspaper published in each of the counties comprising the district. The time fixed for the meeting may not be less than ten nor more than twenty days from the first publication of the notice; and in the meantime the assessment rolls shall remain in the office of the secretary for the inspection of all persons interested.

Source: SDC 1939, § 61.0905; SL 1949, ch 435, § 2; SDCL § 46-15-8; SL 1972, ch 236, § 5; SL 2011, ch 165, § 420.

46A-7-9. Board of equalization, board of directors constituting--Meetings, purpose--Apportionment of benefits and assessments--Duties of secretary. Upon the day specified in the notice required by § 46A-7-8, for the meeting of the board of directors, which is hereby constituted a board of equalization for that purpose, it shall meet and continue in session from day to day, as long as may be necessary, not to exceed ten days exclusive of Sundays, to hear and determine such objections to the apportionment of benefits and assessments as may come before it; and the board may change the apportionment of benefits and assessments as may be just. The secretary of the board shall be present during its session and note the changes made in the apportionment of benefits and assessments of property, and in the names of the persons whose property is assessed; and within twenty days after the close of the session he shall have the total values and assessments, as finally equalized by the board, extended into columns and added.

Source: SDC 1939, § 61.0906; SDCL, § 46-15-9.

46A-7-10. Acreage assessment to cover bond and contract payments--Special fund. The board of directors shall then levy an assessment against the acreage of the district sufficient to raise the annual interest on the outstanding bonds, to pay the principal coming due on the outstanding bonds prior to the next levy, and to make all payments due or to become due the ensuing year to the United States under any contract between the district and the United States, which, when collected shall be called the "bond and United States contract fund of irrigation district."

Source: SDC 1939, § 61.0907; SL 1949, ch 435, § 3; SDCL, § 46-15-10; SL 1976, ch 277, § 17.

46A-7-11. Assessment for operation, salaries and expenses. If the board of directors deems it necessary, it may levy an assessment for the care, operation, and maintenance of irrigation works already constructed and for the payment of salaries of officers and general expenses, which assessment shall be called the "general fund of irrigation district."

Source: SDC 1939, § 61.0907; SL 1949, ch 435, § 3; SDCL, § 46-15-11; SL 1976, ch 277, § 18.

46A-7-12. Assessments--Rate of levy, computation. In all assessments for the purpose of chapters 46A-4 to 46A-7, inclusive, the rate of levy in any one year shall be computed by adding to the amount or amounts desired to be raised ten percent, to cover anticipated delinquencies, and then dividing the sum thereof by the aggregate of the benefits apportioned for such year as in this chapter provided.

Source: SDC 1939, § 61.0909; SDCL, § 46-15-12.

46A-7-13. Contract with United States providing different deficiency assessment. If an irrigation district organized under the laws of this state is under contract with the United States providing for a different deficiency assessment than is prescribed in § 46A-7-12, the provisions of the contract shall govern the district in making its assessments, if the contract has been approved by the necessary majority vote of the owners of the land affected at an election properly called for such purpose.

Source: SDC 1939, § 61.0909; SDCL § 46-15-13; SL 2011, ch 165, § 421.

46A-7-14. Neglect or refusal of board to make assessment--Adoption of assessment for preceding year. If the board of directors of any irrigation district neglects or refuses to cause an assessment and levy to be made as provided in this chapter, the assessment of property made for the preceding year shall be adopted and shall be the basis of assessment for the district. The county commissioners of the county in which the district was originally organized shall cause an assessment roll of the district to be prepared and shall make the levy for the payment of the principal and interest on bonds, to meet all payments due or to become due the ensuing year to the United States under any contract between the district and the United States, and to meet the expenses for organizing and operating the district, in the same manner and with like effect as if the levy had been made by the board of directors. The expense incident to making the levy shall be borne by the district.

Source: SDC 1939, § 61.0907; SL 1949, ch 435, § 3; SDCL § 46-15-14; SL 2011, ch 165, § 422.

46A-7-15. Modification of contract with United States to eliminate charges or change time of payment--Cancellation of levy or assessment. If the board of directors has made a levy or assessment under any contract between the United States and the district, and the United States thereafter modifies or supplements the contract or agreement to eliminate certain charges under the contract or agreement or to make the charges due at a later date than originally provided in the contract or agreement, the board may direct the cancellation of the levy or assessment previously made to raise funds to pay the United States that are under the modification or supplemental contract or agreement made due and payable at a later date.

Source: SDC 1939, § 61.0917; SDCL § 46-15-15; SL 2011, ch 165, § 423.

46A-7-16. Assessments--Computation and entry by secretary--Certification--Tax list. The secretary of the board of directors shall compute and enter in separate columns of the assessment books the respective sums of dollars and cents in each fund, together with the sum payable by each tract obligated to the United States by contract, if any, for the payment of water charges to be paid on the property. The secretary shall certify to the auditor of the county in which the land is located the amount of the taxes in each fund levied upon each tract of land by the board, including sums due the United States, and the auditor shall enter the amount of each in separate columns of the tax list of the county. All tax lists when delivered to the county treasurer shall contain all taxes in each fund levied on each tract of land by the board of the irrigation district.

Source: SDC 1939, § 61.0907; SL 1949, ch 435, § 3; SDCL § 46-15-16; SL 2011, ch 165, § 424.

46A-7-17. Assessments levied for bond and United States contract fund--Collection by county treasurer. The assessments levied for the bond and United States contract fund mentioned in § 46A-7-10 shall be collected by the county treasurer at the same time and in the same manner as all other taxes are collected in this state.

Source: SDC 1939, § 61.0907; SL 1949, ch 435, § 3; SDCL, § 46-15-17.

46A-7-18. Capital projects fund tax--Interest coupons received in payment. Such county treasurer shall receive in payment of the district capital projects fund tax, for the year in which such taxes were levied, interest coupons issued by such irrigation district, due during such year and payable from such fund, the same as so

much lawful money of the United States, if such interest coupons do not exceed the amount of the district capital projects fund which the person tendering the same owes.

Source: SDC 1939, § 61.0907; SL 1949, ch 435, § 3; SDCL, § 46-15-18.

46A-7-19. Assessments levied for general fund--Due date--Warrants received in payment. The assessments levied for the general fund mentioned in § 46A-7-11 are due to the county treasurer on the thirty-first day of December next following the levy of the assessments and on the first day of May of the year after which the assessments have been levied for the general fund. All unpaid assessments for the fund become delinquent and draw interest and penalty as follows: on the first day of May and on the first day of each succeeding month, until paid, the Category D rate of interest as established in § 54-3-16 of the amount remaining unpaid shall be added thereto and collected by the treasurer. The county treasurer shall receive in payment of the general fund tax, for the year in which the tax is levied, warrants drawn against the general fund for such year, if the warrants do not exceed the amount of the general fund tax which the person tendering it owes.

Source: SDC 1939, § 61.0907; SL 1949, ch 435, § 3; SDCL, § 46-15-19; SL 1983, ch 28, § 57; SL 1984, ch 319, § 28.

46A-7-20. Taxes received for capital projects and general funds--Remittance by county treasurer. All such taxes collected or received for the district capital projects and general funds, either in money, interest coupons, or warrants on general fund, by the treasurer of any county other than the one in which the district was originally organized shall be remitted by him to the treasurer of the county in which the district was originally organized, such remittance to be made on the fifth day of each and every month. All such taxes collected or received for the general fund of such district by the treasurer of the county in which the district was originally organized shall be paid to the treasurer of such irrigation district, upon an order signed by the president and secretary of such district, and all warrants received in payment of general fund taxes as provided in § 46A-7-19 may be turned over, as so much money, to the district treasurer on such order.

Source: SDC 1939, § 61.0907; SL 1949, ch 435, § 3; SDCL, § 46-15-20.

46A-7-21. Responsibilities of county treasurer for taxes. All such taxes collected and paid to the county treasurer shall be received by the treasurer in the treasurer's official capacity. The treasurer is responsible for the safekeeping, disbursement, and payment of the taxes, the same as for other money collected in the treasurer's official capacity.

Source: SDC 1939, § 61.0907; SL 1949, ch 435, § 3; SDCL § 46-15-21; SL 2011, ch 165, § 425.

46A-7-22. Alternative method of collection of assessments against acreage within United States reclamation project. In addition to other provisions of the laws of this state for the collection of assessments levied against the acreage of an irrigation district, the board of directors of any irrigation district organized within a United States reclamation project may make collections of all assessments levied against the acreage of the irrigation district through the office of the board.

Source: SL 1945, ch 348; SDC Supp 1960, § 61.0932; SDCL § 46-15-22; SL 2011, ch 165, § 426.

46A-7-23. Notice of decision to collect assessments against acreage in United States reclamation project. Whenever a board of directors decides by unanimous vote to make collections of assessments, as provided by § 46A-7-22, it shall file notice thereof in the office of the county auditor of each county in which the district is situated.

Source: SL 1945, ch 348; SDC Supp 1960, § 61.0932; SDCL, § 46-15-23; SL 1983, ch 13, § 7.

46A-7-24. Decision of board of directors to collect assessments against acreage within United States reclamation project--Certificate, time for filing--Payment of assessments, time. The certificate required in § 46A-7-23 shall be filed as aforesaid before the first day of May of the year in which the change of place of payment of such assessments is desired to be effectuated. Thereafter all assessments levied against the acreage of such irrigation district shall be collected by, and payable to, the treasurer of said irrigation district, at the office designated by the board of directors of said irrigation district at the same time and in the same manner as all other taxes and assessments are collected in this state.

Source: SL 1945, ch 348; SDC Supp 1960, § 61.0932; SDCL, § 46-15-24.

46A-7-25. Collection of assessments against acreage within United States reclamation project--Single assessment for operation and maintenance funds and contract funds, time for payment. In districts which are following the alternative method of collecting assessments, as provided for by § 46A-7-22, a single assessment, to include operation and maintenance funds and contract funds, may be made, and such assessment so levied shall become due and payable on January first next following the levy of such assessment, and become delinquent if not paid in full on or before May first following such assessment and shall draw interest and penalty as provided in § 46A-7-19.

Source: SDC 1939, § 61.0907 as added by SL 1949, ch 435, § 3; SDCL, § 46-15-25.

46A-7-26. Determination of benefits--Fixing annual assessments--Completion and delivery of assessment roll. In districts that use the alternative method of collecting assessments, as provided for by § 46A-7-22, the director of equalization shall, between the first day in September and the first day of November, in each year, make the examination and determine the benefits and fix the annual assessments to be levied against the tracts in the district, as provided for and in §§ 46A-7-4 to 46A-7-7, inclusive. The director of equalization shall, on or before the fifteenth day of November in each year, complete the assessment roll and deliver it to the secretary of the board of directors, who shall give notice of the assessment as provided in § 46A-7-8.

Source: SDC 1939, §§ 61.0904, 61.0905 as added by SL 1949, ch 435, §§ 1, 2; SDCL § 46-15-26; SL 2011, ch 165, § 427.

46A-7-27. Filing of certificate of decision to collect assessments against acreage within United States reclamation project--Treasurer of irrigation district to act in lieu of county auditor and treasurer. If the written certificate of the board of directors is filed as provided in § 46A-7-23, the irrigation district is not required to certify to the county auditor the amount of the assessments, including sums due the United States, that have been levied against the acreage of the district. The auditor is not required to enter the amount of each of the sums in separate columns of the tax lists of the county; and the tax lists, when delivered by the auditor to the county treasurer, need not contain the assessments levied on the tracts of land within the irrigation district. The secretary of the board of directors of the irrigation district shall certify to the treasurer of the irrigation district the amount of the assessments, including sums due the United States, who shall act in lieu of the county auditor in entering the amount of assessments in each fund levied upon each tract of land by the board of directors, including sums due the United States, in separate columns of a book to be known as "irrigation district assessment collection book." The book shall be kept by the treasurer of the district as a public record of the irrigation district, and the treasurer shall thereafter act in lieu of the county treasurer in sending notices, collecting, and receipting for such assessments.

Source: SL 1945, ch 348; SDC Supp 1960, § 61.0932; SDCL § 46-15-27; SL 2011, ch 165, § 428.

46A-7-28. Collection of assessments against acreage within United States reclamation project--Duties of treasurer of district, certification of delinquencies. The treasurer of any irrigation district, following the method provided in §§ 46A-7-22 to 46A-7-27, inclusive, for the collection of assessments, shall certify any delinquent assessment to the auditor of the county in which the land on which the delinquent assessment is situated on or before the tenth day of November each year. The auditor shall enter the amount due in separate columns of a

supplementary tax list, to be known as "irrigation district delinquent assessment list" of the county and deliver a copy of the same to the county treasurer for collection in the same manner as all other taxes and assessments are collected in this state.

Source: SL 1945, ch 348; SDC Supp 1960, § 61.0932; SDCL, § 46-15-28; SL 1983, ch 13, § 8.

46A-7-29. Reversion to prior method of collection--Filing of certificate of change--Collection through office of county treasurer. Any irrigation district, organized within a United States reclamation project, that chooses to collect its assessments as provided in §§ 46A-7-22 to 46A-7-28, inclusive, may revert back to the prior method of making collection through the county treasurer's office by filing with the county auditor of the county or counties stated in § 46A-7-23, within which the irrigation district is located, a certificate signed by a majority of the board of directors of the irrigation district stating that a majority of the board of directors of the irrigation district desires to make such a change. After the certificate is filed, beginning with the first day of May of the year in which the change is desired to be made, all requirements of the laws of this state for the collection of taxes and assessments through the county treasurer's office shall be complied with as though §§ 46A-7-22 to 46A-7-28, inclusive, had not been enacted.

Source: SL 1945, ch 348; SDC Supp 1960, § 61.0932; SDCL § 46-15-29; SL 2011, ch 165, § 429.

46A-7-30. Assessments--Payment under protest, disposition of money. When any person against whose property any assessment has been made shall pay such assessment under protest, as provided by law for general taxes, the board of directors of the irrigation district may pass upon and make orders disposing of the money so paid under protest to any county treasurer in the same form and manner as provided by law, and such proceedings shall be had as by such law provided insofar as the same is applicable.

Source: SDC 1939, § 61.0917; SDCL, § 46-15-30.

46A-7-31. Refund of taxes or assessments--Filing of tax receipt showing payment under protest--Affidavit stating grounds for refund. No taxes or assessments may be ordered refunded unless the person complaining files in the office of the secretary of the district a copy of the person's tax receipt, showing the same paid under protest, together with a sworn affidavit in writing showing one of the following reasons why such tax or assessment should be refunded:

- (1) That the land upon which the assessment was levied is not within the boundaries of the district;
- (2) That the land is exempt by law, setting forth the reason for the exemption; or
- (3) That by reason of injury through seepage or subirrigation the land could not now be benefited by irrigation, or that the land is not susceptible of irrigation from the canal of the district.

Source: SDC 1939, § 61.0917; SDCL § 46-15-31; SL 2011, ch 165, § 430.

46A-7-32. Relevy of invalid, void or defective special tax or assessment--Assessment not invalidated by erroneous extension--Correction. If any special tax or assessment levied upon any property located within the irrigation district is found to be invalid and uncollectible, or is adjudged to be void by a court of competent jurisdiction, or paid under protest and recovered by suit, because of any defect, irregularity, or invalidity in any of the proceedings or on account of the failure to observe and comply with any of the conditions, prerequisites, and requirements of any statute or resolution, the board of directors may relevy the special tax or assessment on the property in the same manner as other special taxes and assessments are levied, without regard to whether the formalities, prerequisites, or conditions before equalization have been met. If there is an erroneous extension of the water charge assessment, either against the wrong tract of land or against the wrong person, the assessment may not, for that reason, be invalidated. The district board upon the discovery of the error may release, abate, refund, or otherwise correct the assessment by directing the county auditor to release, abate, refund, or otherwise correct the assessment and to spread the assessment against the proper person or against the correct tract, or to abate the assessment, or to refund the water charge assessment erroneously collected, as the case may require.

Source: SDC 1939, § 61.0917; SDCL § 46-15-32; SL 1976, ch 277, § 19; SL 2011, ch 165, § 431.

46A-7-33. Assessment as lien against property assessed--Interest--Collection--Sale of land. All assessments on real property and to the extent provided by the act of Congress of August 11, 1916, as amended to January 1, 2011, on entered and unentered public lands, are a lien against the property assessed from and after the day the real estate taxes become a lien. The assessments shall draw interest at the same rate and from the same date as unpaid real estate taxes, and such lien is not removed until the assessments are paid or the property sold for the payment of the assessments. The county treasurer shall collect the assessments in the same manner as other taxes against real estate are collected, and the revenue laws of the state for the collection of taxes and sale of land for such taxes apply to the collection of assessments under this chapter.

Source: SDC 1939, § 61.0911; SDCL § 46-15-33; SL 2011, ch 165, § 432.

46A-7-34. Bond series lien preferences--Federal contract payments lien preferences. The lien for the bonds of any series may be on a parity with or a preferred lien to that of any subsequent series, and the lien for the payments due to the United States under any contract between the district and the United States, accompanying which bonds have not been deposited with the United States, may be a preferred lien to that of any issue of bonds or any series of any issue subsequent to the date of such contract.

Source: SDC 1939, § 61.0911; SDCL, § 46-15-34; SL 1976, ch 277, § 20.

46A-7-35. Application of funds from assessment and levy--Priority in distribution. The funds arising from assessment and levy in any year shall be devoted to the obligations of the district payable from such funds and, as to all obligations payable from the bond and United States contract fund, shall be so devoted in the order of priority of the obligation.

Source: SDC 1939, § 61.0911; SDCL, § 46-15-35; SL 1976, ch 277, § 21.

46A-7-36. Delinquent assessments--Compromise, abatement, or reallocation. If the board of directors determines that assessments levied before February 25, 1933 against the lands of the district for either its general fund or bond and United States contract fund are delinquent to such an extent that the enforcement of the payments thereof through tax title proceedings is impracticable, and further determines that it is to the benefit of the irrigation district to compromise, abate, or reallocate any part or all of such assessments, the board may compromise, abate, or reallocate any of the delinquent assessments, subject to the following conditions:

(1) All claims or obligations against the district's general fund for all years in which the assessments were levied have been paid in full before the compromise, abatement, or reallocation, or if not paid in full, the owners of the obligations have consented in writing to the proposed compromise, abatement, or reallocation;

(2) If the district's bond and United States contract fund would be affected by the compromise, abatement, or reallocation, the written consent of the United States, if the assessments were levied to meet contract obligations to the United States, or of all bondholders, if the assessments were levied to meet bonded indebtedness or interest on the bonds, shall be obtained to each such proposed compromise, abatement, or reallocation, before it becomes effective. The compromises, abatements, or reallocations may be made, without the individual consent of the United States or bondholders, if made pursuant to the terms of a contract between the district and the United States or the bondholders. The board is hereby vested with authority to execute the contract with the United States or the district bondholders. This section does not limit the rights of any irrigation district under the existing laws to compromise, abate, or refund district assessments but is cumulative to those rights.

Source: SDC 1939, § 61.0908; SDCL § 46-15-36; SL 2011, ch 165, § 433.

46A-7-37. Delinquent assessments--Sales of land, bidding in by board of directors, striking off land to district, certificate of tax sale. At all sales of all lands for delinquent taxes where all, or a portion, of such

delinquent taxes are taxes and assessments levied and assessed by any irrigation district against the lands to be sold, the directors, if there be no other bidder for such land at such tax sale, may bid therefor the total amount of all delinquent taxes and assessments, penalty, and interest against such land, and thereupon the county treasurer shall strike off said lands to such irrigation district and issue certificate of tax sale to said irrigation district the same as such certificates of tax sales are issued to other purchasers.

Source: SDC 1939, § 61.0912; SDCL, § 46-15-37.

46A-7-38. Special revenue fund for purchase of tax certificates and titles--Purpose--Resolution--Payment of taxes, assessments, interest, and penalties. For the purpose of paying the taxes, assessments, interest, and penalties, the directors may create by resolution a fund to be known as the "special revenue fund for the purchase of tax certificates and titles." The directors may provide funds for the special revenue fund by levy, bond issue, or otherwise, and the district may pay the taxes, assessments, interest, and penalties by issuing a warrant to the county treasurer against the fund, if there is sufficient money in the fund to pay the taxes, assessments, interest, and penalties in full upon demand.

Source: SDC 1939, § 61.0912; SDCL § 46-15-38; SL 2011, ch 165, § 434.

46A-7-39. Taxes paid by district--Distribution by county treasurer--Redemption or sale of property--Deposit of proceeds. If taxes are paid by the district as provided in this chapter, the county treasurer shall distribute that portion of the tax belonging to the irrigation district to the several funds as designated in the tax levy and assessment. At the time of redemption, or of the sale by the district of the tax sale certificate, or of the property obtained through the certificate, such funds as are realized shall be deposited with the county treasurer, who shall credit the proceeds of sale to the special revenue fund specified in § 46A-7-38.

Source: SDC 1939, § 61.0912; SL 2011, ch 165, § 435.

46A-7-40. Expenditure from special revenue fund--Transfer of balance in inactive fund to debt service fund. No expenditures may be made from the special revenue fund except for the purposes as specified in §§ 46A-7-38 and 46A-7-39. If, by resolution of the board of directors, the fund is deemed inactive, the balance remaining in the fund shall be transferred to a debt service fund to be applied upon any indebtedness that may have been incurred by the district by reason of the creation of the special revenue fund, if any exists; otherwise, the balance shall be transferred to the general fund of the district.

Source: SDC 1939, § 61.0912; SDCL § 46-15-40; SL 2011, ch 165, § 436.

46A-7-41. Tax sale certificate issued to county--Purchase by district--Purchase price, payment by board of directors. Any irrigation district may purchase the certificate of tax sale issued to any county for land sold at tax sale against which any of its taxes and assessments are delinquent, or, if deed therefor has been issued to the county, may purchase such lands from the county by paying to the county treasurer all state, county, first or second class municipality, school district, and other delinquent taxes, together with penalty, interest, and costs of publication and sale. Such payment shall be made by the directors issuing and delivering to the county treasurer a warrant drawn against the special revenue fund, if there shall be sufficient money in said fund to pay the same in full upon demand, and thereupon such treasurer shall assign such certificate of tax sale to such irrigation district, or the commissioners of the county shall convey such lands to said district.

Source: SDC 1939, § 61.0913; SDCL, § 46-15-41; SL 1992, ch 60, § 2.

46A-7-42. Land sold at tax sale to district--Tax deed, issuance to holder of certificate of tax sale in the absence of redemption. When there has been no redemption of the land so sold at tax sale to an irrigation district, or to any other person, or of the land struck off to the county for which a certificate of sale has been assigned to an irrigation district, or to any other person, in the manner and within the time prescribed for the

redemption of lands from such tax sales, the county treasurer shall issue a tax deed therefor to such irrigation district, or other holder of a certificate of sale. The holder of such certificate of tax sale, whether said holder be an irrigation district or an individual, may at any time after the expiration of two years from the date of sale, if the same has not been redeemed within said period, apply to the county treasurer, as provided by law, for the issuance of a tax deed to said property, and upon such application the county treasurer shall issue such tax deed in manner and form provided by law to said holder.

Source: SDC 1939, § 61.0914; SDCL, § 46-15-42.

46A-7-43. Tax deed issued to district--Sale of land--Price. After the issuance of any such tax deed to an irrigation district, the directors may sell and convey the land so purchased, or any part of the land, at either public or private sale, whether or not the price received for the land equals the amount of delinquent taxes, assessments, penalties, interest, and costs against the lands. However, if the lands are offered for sale at public sale, the directors may reject any bids on the lands, and no such lands may be sold by the directors at private sale until the lands have been offered for sale at public sale, nor at a price less than the highest price bid for the lands at the public sale at which the lands were offered. If no bid is received for the lands when the lands are offered for public sale, the directors may then sell the lands in such manner and for such price as they deem to be in the best interests of the district.

Source: SDC 1939, § 61.0915; SDCL § 46-15-43; SL 2011, ch 165, § 437.

46A-7-44. Land not subject to sale for delinquent taxes before delivery of water. The provisions of §§ 46A-7-37 to 46A-7-43, inclusive, apply only if the irrigation district has commenced delivery of water to any lands within the irrigation district.

Source: SDC 1939, § 61.0916; SDCL § 46-15-44; SL 2011, ch 165, § 438.

46A-7-45. Warrants of districts--Limitation on amount issued--Additional levy. No irrigation district may in any year issue warrants in excess of ninety percent of the levy for the year. However, in case of due and outstanding obligations against the district on account of operation, maintenance, and current expenses contracted before the year in which any levy is made, the district board may make an additional levy, not to exceed one dollar per acre upon all irrigable lands within the district, to create a special fund for the payment of past due obligations.

Source: SDC 1939, § 61.0910; SDCL § 46-15-45; SL 2011, ch 165, § 439.

46A-7-46. Claims against fund fully paid--Transfer of unused balance. If the claims or obligations against any fund for any year are fully paid, the board of directors may transfer any unused balance to any other fund for the preceding or succeeding year.

Source: SDC 1939, § 61.0910; SDCL § 46-15-46; SL 2011, ch 165, § 440.
