

Bond Case Briefs

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Rushmore Shadows, LLC v. Pennington County Bd. of Equalization

Supreme Court of South Dakota - October 9, 2013 - N.W.2d - 2013 S.D. 73

Taxpayer that rented out recreational park trailers as cabins on campground that it operated appealed from county's assessment of the cabins as real property for purposes of ad valorem taxation.

The Supreme Court of South Dakota held that recreational park trailers were constructively affixed to the real estate and, therefore, constituted an "improvement to land" so as to be subject to ad valorem taxation as real property.

Factors relevant to determining whether property is a fixture, so as to constitute an improvement to land subject to ad valorem taxation as real property, and whether property is a realty improvement subject to the contractor's excise tax, include: (1) annexation to the realty, either actual or constructive; (2) property's adaptability to the use and purpose for which the realty is used; and (3) the intention of the party making the annexation.