

JANUARY 2012

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- Occupational Taxes
- Tax Education Seminars around SD
- MV Self-Service Terminal Implementation
- Lottery - Enhanced Powerball

## Upcoming Revenue Deadlines...

### Business Tax

January 20	Paper returns & payments due for monthly filers
January 23	SD QUEST returns due
January 30	SD QUEST electronic payments due
January 31	Paper returns & payments due for bimonthly & quarterly filers.
February 21	Paper returns & payments due for monthly filers
February 23	SD QUEST returns due
February 28	SD QUEST electronic payments due
March 20	Paper returns & payments due for monthly filers
March 23	SD QUEST returns due
March 29	SD QUEST electronic payments due
April 2	Paper returns & payments due for bimonthly filers

### Motor Vehicles

#### Vehicle Registration Dates

Date corresponds to the first letter of the owner's last name.

January	A, B
February	C, D, E
March	F, G, H

#### 4th Quarter IFTA Returns

January 31st 2012

#### Motor Fuel returns

December return due January 31<sup>st</sup> 2012

January return due February 29<sup>th</sup>

February return due April 2<sup>nd</sup>

### Property Tax

All property taxes are due and payable January 1 of each year. They do not become delinquent if the first half is paid before May 1, and the second half is paid before November 1.

## DEPARTMENT OF REVENUE

### Message from the Secretary

Welcome to the Department of Revenue's first e-newsletter. It is my pleasure to present this important initiative which will allow us to share information, educate, and better interact with our partners. You will notice this is a Department newsletter with features on all of our Divisions. This approach encompasses our new vision as "We partner with our stakeholders to provide easy, fair, and reliable revenue administration". Each division in the department and our employees has a part in this effort and we are excited to undertake it. We are confident our efforts will result in positive working relationships with businesses and industry, governmental partners, and the citizens of South Dakota.



Within this issue I would like to focus on three key initiatives we are undertaking. Technology is a powerful tool that can help us do our jobs more efficiently and make interacting with our department easier for our customers. The Division of Motor Vehicles recently partnered with Get-N-Go and Hy-Vee to install Self Service Registration Terminals in their stores. The Self Service Registration Terminals allow vehicle owners to ensure their registration is current while shopping at two locations in Sioux Falls.

The South Dakota Lottery continues to look for new and exciting options for our players. Enhanced Powerball tickets will allow lotto players to compete for larger prizes and have more chances to win. The Lottery is also working with our Video Lottery partners to roll out new line games for players across South Dakota.

As part of our Education 1st Initiative, we have hired Jean Person to be our Department Education Coordinator. Jean and the education team will offer seminars and education programs on all areas of Revenue across South Dakota and in surrounding states. Our intent is to ensure citizens are knowledgeable on our tax systems and programs. We look forward to receiving feedback from you on our education efforts.

I hope you enjoy our newsletter and find it beneficial.



*Andy Gerlach*  
Andy Gerlach

Professional  
Dependable  
Accountable

## Contact Us...

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Want to receive Division Updates via email?  
Send your email address along with your tax license number to:  
[webman@state.sd.us](mailto:webman@state.sd.us)

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## MOTOR VEHICLES

### Self Service Registration Terminals

In an effort to help automate and simplify the registration process, the Division of Motor Vehicles has recently been installing self-service terminals (SST) across the state.

Each SST is a fully automated motor vehicle registration renewal station and dispenses license renewal tags on the spot. A vehicle owner can navigate through the easy touch screen (voice assistance available) with a valid South Dakota driver's license, South Dakota identification card, or if a company, the information provided on its renewal notice. Once the payment has been submitted and the transaction is completed, the license renewal tags and vehicle registration are dispensed directly from the machine.

During the transaction, the customer is asked to scan the bar code on their South Dakota driver's license or South Dakota identification card. This action retrieves all the vehicle owner's registrations and allows them to select only the registrations they want to renew.

The SST allows vehicle owners to register up to 90 days prior and 30 days after the expiration of their current license tags. A \$2 convenience fee per vehicle is assessed.



Self-service terminals are currently operating twenty four hours a day in the following locations: the Public Safety Building on Kansas City Street in Rapid City, the Sioux Falls Get-N-Go located at 10th and Arrowhead and the Sioux Falls Hy-Vee located at 49th and Louise. The Pierre Department of Revenue office located at 445 East Capitol Avenue has a SST available 8am-5pm Monday through Friday.

## LOTTERY

### Enhanced Powerball

South Dakota lotto players will see some big changes in the Powerball game beginning in January. As "America's Game" celebrates its 20th anniversary, officials are promoting more millionaires, bigger starting jackpots, and better overall odds.

Starting with the January 18, 2012 drawing, players who pick their own numbers will be choosing their Powerball number from between 1 and 35, instead of 1 and 39 as they had previously. Among the prize level changes is an increase from the \$200,000 second prize to a \$1 million cash prize for matching all five white ball numbers but not the Powerball. Players who add Power Play to their tickets for an additional \$1 will no longer wonder what multiplier will be drawn; all Power Play prizes will be fixed under the enhanced game, giving people the chance to win from \$12 to \$2 million. And the overall odds of being a winner will improve from 1 in 35 to 1 in 31.8.

The most noticeable change for players when the enhanced game begins is the price. Effective January 15, 2012, the cost for a single Powerball ticket goes from \$1 to \$2. The price for the Power Play option will remain at \$1 per play.

## BUSINESS TAX

### Lodging Accommodations

#### Is it Occasional?

The rental of lodging accommodations or campsites is subject to state sales tax, tourism tax, and the applicable municipal sales and municipal gross receipts tax. Some individuals may occasionally rent their home, cabin, a room in their house, or allow someone to camp on their property. An instance of this could be rental of property in the town of Sturgis during the annual motorcycle rally.

If the occasional rental is for 10 days or less in a calendar year, no tax is due on the rentals. Please review the **Hotels, Motels and Campgrounds Tax Facts** on the Department of Revenue's web site or contact us if you have questions regarding the tax on lodging.

## DEPARTMENT UPDATE

### The Evolution of DOR

The Department of Revenue, like any state agency, must adapt to exceed demand. We take pride in ensuring a high level of service at all times. We stay consistent and accountable through innovation and will continue to strive for perfection in the future. It's equally important to keep our eyes on the horizon as it is to ensure that all is well with current processes within the Department.

These are some changes happening in Revenue:

As of January 1<sup>st</sup> 2012, Motor Vehicles launched an addition to the SDCARS.org website. The license plate system allows individuals to check for personalized plate combinations to see if their choice is currently not in use.

In 2012, motor fuel suppliers will be able to file their motor fuel tax returns using our SD E-file system. The benefits of filing online allow quicker processing and followup to ensure returns are filed accurately.

## BUSINESS TAX

### Occupational Taxes

According to South Dakota Codified Law (SDCL) 9-55 a **Business Improvement District** (BID) can be created "within the boundaries of an established business area of the municipality zoned for business, public for commercial purposes." A BID may raise funds by imposing an occupational tax on rooms.

The occupational tax is imposed on the transient guest, and as such is not included in the lodging establishment's receipts subject to sales tax.

Some cities impose a convention center fee that is not a BID fee. These convention center fees are included in the receipts subject to sales tax.

### E-File your taxes using SD QUEST!

SD QUEST (Quick Easy Secure Tax Filing) is an electronic tax filing and payment system that allows taxpayers to file and pay their state sales, use, or contractors' excise tax via the Internet or telephone. **You must apply for authorization to use the SD Quest System. Upon receipt & approval of your application, we assign an ID number.**

## DEPARTMENT UPDATE

### Business Education Program

The Department has a Business Education Program that offers a number of tax and business seminars and education programs in various locations throughout the year. These presentations are at no charge to attendees with the sole purpose of educating the taxpayers and citizens doing business in South Dakota on their responsibilities for the taxes, licenses and fees that are applicable to their operation.

#### The Basic Sales Tax seminars cover topics including:

- when and how to apply for a tax license
- exemptions from sales and use tax
- exempt entities
- use tax
- municipal taxes
- purchases for resale
- how to file tax returns electronically with SD-QUEST

#### Topics covered in the Basic Contractors' Excise Tax (CET) seminars include:

- applying for CET licenses
- projects for qualifying utilities and governmental agencies
- sales and use tax
- prime and subcontractors
- reservation projects
- owner-furnished materials
- the filing of electronic returns

A number of the seminars involve presenters from bordering states that provide information on tax application on transactions that cross state lines. On a regular basis the Department of Labor and Regulation representatives schedule workshops for small businesses that provide tax and labor law applications.

The department also encourages you to request a presentation tailored to your specific business, organization, association or special interest group. We are available to you at your convenience and welcome the opportunity to partner with you as we continue to do business together in South Dakota.

For a complete list of future tax education seminars or to request a special presentation visit our website at [www.state.sd.us/ddr2/](http://www.state.sd.us/ddr2/) on the Business Tax page under the Tax Education tab or contact us at 1-800-829-9188.



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#### How can I file?

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For questions about our automated phone system,  
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### Check out SDQUEST today!

<http://www.state.sd.us/drr2/sdquest>

**1-800-TAX-9188**



### Important News:

As of January 1, 2013, The Department of  
Revenue will be going green!

We will discontinue the print version of this newsletter and be  
converting to a strictly online version.

In order to not miss future publications, sign up for our mailing  
list at [webman@state.sd.us](mailto:webman@state.sd.us).

We will only be sending publications and your email will not be  
solicited to anyone outside The Department of Revenue.

### Municipal City Tax Changes

The following municipal tax rate changes go  
into effect January 1, 2012.

**Bruce** (046-2) is imposing a 1% general sales and use tax rate.

**Camp Crook** (054-2) is imposing a 1% general sales and use tax rate.

**Frankfort** (131-2) is imposing a 1% general sales and use tax rate.

**Oldham** (266-2) is imposing a 2% general sales and use tax rate.

**Irene** (181-2) is adding a gross receipts tax (1%) on alcoholic  
beverages, lodging, eating establishments,  
and admissions to places of amusement, cultural  
and athletic events. This tax is in addition to their  
2% general sales tax rate.

For the complete list of city tax rates, visit  
[www.state.sd.us/CityTax](http://www.state.sd.us/CityTax)