

New Municipal Tax Changes Effective July 1, 2014

Beginning July 1, 2014 five South Dakota communities will implement new municipal taxes or update their current city taxes.

The municipal tax changes that will take effect next month include:

- **Fairview** is imposing a 2 percent general sales and use tax rate.
- **Roscoe** is increasing its 1 percent general sales and use tax rate to 2 percent.
- **Lemmon** is imposing a 1 percent municipal gross receipts tax rate on lodging, eating establishments, and alcoholic beverages. This tax is in addition to their 2 percent general sales and use tax rate.
- **Lennox** is imposing a 1 percent municipal gross receipts tax rate on lodging, eating establishments, alcoholic beverages, and ticket sales or admissions to places of amusement, athletic and cultural events. This tax is in addition to their 2 percent general sales and use tax rate.
- **Mobridge** is continuing their 1 percent municipal gross receipts tax rate that was set to expire on June 30, 2014 on lodging, eating establishments, and alcoholic beverages. This tax is in addition to their 2 percent general sales and use tax rate.

South Dakota municipalities are able to implement new tax rates or change existing tax rates on January 1st or July 1st each year.

The South Dakota Department of Revenue has Municipal Tax Information Bulletins available listing all municipal sales and use tax rates statewide as well as information on tribal sales, use, and excise taxes. Updated bulletins are free of charge and available after July 1, 2014, by contacting the Department of Revenue at 1-800-TAX-9188 (1-800-829-9188) or by downloading a copy from the Department's website at <http://dor.sd.gov/>, scroll over "Taxes" and select "Business Taxes", followed by "Publications" and then select "Municipal Tax". The full web address is http://dor.sd.gov/Taxes/Business_Taxes/Publications/Municipal_Tax.aspx.