

SOUTH DAKOTA

UPDATED 01/2013

REGISTRATION AND ELECTRONIC FILING AND PAYING INFORMATION STATE INFORMATION FOR STREAMLINED SALES TAX PARTICIPANTS

A. INTRODUCTION

1. Date state became an SST member: October 2005
2. Information on the Streamlined Sales Tax Program (SSTP) can be found at:
streamlinedsalestax.org

B. CONTACT INFORMATION

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3. Tax Questions
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C. PUBLICATIONS - WEBSITES

1. South Dakota Taxability Matrix (Required by Section 328 of SST Agreement)
state.sd.us/drr2/businessstax/st/sstp.htm
2. South Dakota Rates & Boundaries Databases (Required by Section 305 of SST Agreement)
state.sd.us/drr2/businessstax/st/sstp.htm
3. South Dakota Tax Information including Tax Publications, Forms, and Laws:
dor.sd.gov

D. REGISTRATION - STREAMLINED REGISTRATION, STATE REGISTRATION

1. Registration through Streamlined Registration System
 - a. Registration is with all SSTP member states and with those associate member states chosen by you.
 - b. Options when registering:
 - i. You may choose to contact a Certified Service Provider (CSP) to outsource your sales tax administration. (Model 1)
 - ii. You may choose to use Certified Automated System (CAS) software for your sales tax (Model 2)

- iii. You may choose to register through the system and file and pay tax directly to the state with your own system and using the paper or electronic filing procedures offered by each state. (Model N - No Certified System)
 - iv. You may choose to be a NONFILER in a specific state if you choose technology method Model 2 or Model N-No certified System and you have not had and do not anticipate sales in that state.
 - c. SSTP Registration website:
www.streamlinedsalestax.org/index.php?page=technology---registration
- 2. Registration directly with SD Department of Revenue.
 - a. You may register directly with any of the states, instead of using the Streamlined Registration system.
 - b. If you have nexus or a physical presence in SD, you are required to be license and you will need to complete a SD sales tax application to provide the state additional information on your company.
 - c. South Dakota registration website:
www.state.sd.us/taxapp.

E. FILING RETURNS - SER, SD QUEST, PAPER RETURNS, DUE DATES

- 1. Streamlined Electronic Return (SER)
 - a. Who can file a SER?
 - i. CSPs will file all returns using a SER. (Model 1)
 - ii. Taxpayers using a CAS will file all returns using a SER. (Model 2)
 - iii. Any taxpayer that registers through the Streamlined Sales Tax Registration system may file returns using a SER. (Model N-No Certified System)
 - iv. Any taxpayer (including those registered directly with the state) may file returns using a SER beginning with the January 2013 return, due February 2013.
 - b. SER Schema and Technical requirements:
www.streamlinedsalestax.org/index.php?page=schema-sets
 - c. Part II of the SER: SD does not require
 - d. Transmission file size limit for SERs: 5MB
 - e. Testing SER
 - i. Contact for testing SER:
Phone: 1-800-829-9188
Email: Bustax@state.sd.us
 - ii. Testing of the SER is required for sellers and CSPs prior to filing a SER.
 - The CSP or CAS provider will test the SER for their systems.
 - Taxpayers not using a CSP or CAS must test their SER directly with the Department.
 - Testing will determine if proper data elements are used and if the SER transmits correctly.

- iii. Testing Process:
 - Establish an account with the Department.
Send the following information to the Department at: Bustax@state.sd.us
 - Taxpayer STP Registration # or CSP ID
 - Requested Password
 - Contact Name
 - Email Address
 - You will be contacted when account is established.
 - Notify Department when you are ready to transmit a Test SER.
 - Send the SER in XML format to the Department. The Department will submit the SER as a test transmission. Submit the SER using the following Test URL:
<https://appstest.sd.gov/applications/rv22streamline/secure/EFileService.aspx>
 - Review errors and acknowledgement for issues that need to be resolved.
 - Continue testing until transmission is successful.
- f. Minimal error codes - are included with Schema information. There are no additional state specific error codes.
- g. Acknowledgement System
 - i. Anticipated timing of acknowledgements: Within the next business day.
- h. Filing SER
 - i. Testing must be complete before you file a SER.
 - ii. You will be provided with the URL for filing or URL of website for uploading files and downloading Acknowledgements when the testing is completed.
- 2. Electronic filing using SD Quest
 - a. Who can file using SD Quest
 - i. Streamlined Registrants that do not filing a SER.
 - ii. Taxpayers that registered directly with South Dakota.
 - b. SD Quest requires pre-registration and authorization. Information on SD Quest is available at: www.state.sd.us/drr2/businessstax/quest/quest.htm
 - c. If taxpayer does not meet filing deadline for SD Quest, they must file that return by paper.
- 3. Paper Returns
 - a. Returns are mailed to taxpayer at the end of each reporting period.
 - b. Taxpayers filing electronically, using a SER or SD Quest, will not receive paper returns.

- c. If you do not receive a return, you may print a blank return from the Department's website or request a return by calling 1-800-829-9188. URL for blank Tax Forms: www.state.sd.us/drr2/businessstax/forms/forms.htm
4. State Filing Due Dates – what is timely filed
 - a. Electronic Returns (SER or SD Quest) – by the 23rd of the month
 - b. Paper Returns
 - i. Monthly Filers - by the 20th of the month
 - ii. All others - by the last day of the month

F. PAYMENT - EFT, OTHER PAYMENT, DUE DATES

1. Who can pay by Electronic Funds Transfer (EFT)?
 - a. Any business that files a SER, including Model 1- files through a CSP, Model 2- uses a CAS system, or any licensee that files a SER.
 - b. Any taxpayer that files through SD Quest.
 - c. Taxpayers not filing electronically cannot pay by EFT.
 - d. EFT Payment Methods
 - i. ACH Debit
 - SER Filers - ACH Debit payment information is included on the SER. A SER may be filed to show return information only, payment only, or both return information and payment.
 - SD Quest Filers - ACH Debit banking information is requested in the SD Quest registration.
 - ii. ACH Credit
 - Data requirements for seller or CSP initiated ACH Credit payments: www.state.sd.us/drr2/EPath/ACH_Credit_Bank_Information.pdf
2. What form of payment does the state accept in emergencies:
 - a. Fedwire - ARSD 64:01:01:22.
 - b. Check - ARSD 64:01:01:23
3. Prepayment requirements are not required for SD sales or use tax.
4. Does the State accept Bulk Payments? Yes, You may make a bulk payment when using a SER.
5. Refunds of overpayments:
 - a. Contact the Department by calling 800-829-9288 or by Email Bustax@State.SD.US for information on refunds.
 - b. Refunds must be requested.
 - c. Taxpayers that file through a CSP (Model 1) that have overpaid may use the credit on their next return or the CSP may request a refund.

- d. Taxpayer's that do not use a CSP, should use the credit on their next return and are not issued refunds unless the credit is not used within 12 months. The taxpayer must apply for the refund.
6. State Payment Due Dates – what is timely paid
- a. All taxpayers that file and pay electronically using a SER or SD Quest - by the 2nd to the last working day of the month
 - b. Monthly filers - by the 20th of the month
 - c. All others - by the last day of the month

G. CONFIDENTIALITY LAWS

10-1-28.1. Confidentiality of return information --Definition of terms. Terms used in §§ 10-1-28.1 to 10-1-28.5, inclusive, mean:

- (1) "Department," the Department of Revenue;
- (2) "Return information," any information collected, prepared or received by the department which relates to a return, including the nature or amount of a taxpayer's income, receipts, deductions, net worth, tax liability, or deficiencies, or any part of any written determination or background file documents relating to such information. The term does not include data in a form which cannot be associated with or otherwise identify, directly or indirectly, a particular taxpayer;
- (3) "Returns," all tax returns, tax reports or claims for refund which are filed with the Department of Revenue, except those returns or claims for refund filed under the provisions of chapters 10-28 to 10-38, inclusive;
- (4) "Secretary," the secretary of the Department of Revenue.

10-1-28.2. Lists compiled by department confidential--Unauthorized disclosure as misdemeanor. All lists of taxpayers, licensees, or applicants compiled by the Department of Revenue are confidential except licensees which were licensed under the provisions of chapter 10-47B, 32-6B, 32-6C, or 32-7A. It is a Class 2 misdemeanor to disclose any such list except to the extent necessary to carry out the official duties of the department.

10-1-28.3. Return information confidential--Unauthorized disclosure as misdemeanor. Returns and return information are confidential. It is a Class 1 misdemeanor to disclose such information except in accordance with §§ 10-1-28.4 and 10-1-28.5.

10-1-28.4. Persons to whom return information may be disclosed--Purposes. Returns and return information may be disclosed to the following:

- (1) The taxpayer who is required to submit the information to the department, or his designee appointed in writing;
- (2) Other states, in accordance with agreements executed pursuant to § 10-1-13.1;
- (3) Any agency, body, commission, or legal representative of the United States charged with the administration of the United States tax laws for the purpose of, and only to the extent necessary in, the administration of such laws;
- (4) Officers, employees or legal representatives of the Department of Revenue, but only to the extent necessary to carry out their official duties;
- (5) Officers, employees or legal representatives of any other state agency or department or political subdivision of the state for a civil or criminal law enforcement activity, if the head of the agency, department or political subdivision desiring such information has made a written request to the secretary specifying the particular information desired and the law enforcement activity for which the information is sought;

(6) Officers, employees or legal representatives of the commission on gaming and the lottery commission for the purpose of, and only to the extent necessary for, the administration of chapters 42-7A and 42-7B.

10-1-28.5. Disclosure of return information in judicial or administrative proceedings. Returns and return information may be disclosed in a judicial or administrative proceeding:

- (1) If the information is directly related to the resolution of an issue in the proceeding; or
- (2) To the extent required by a proper judicial or administrative order.

H. OTHER TAXES - Information on these taxes is available at dor.sd.gov or by calling 1-800-829-9188.

- 1. In addition to the state and municipal sales and use tax. Some businesses may have the following tax liabilities:
 - a. Municipal Gross Receipts Tax
 - b. Tourism Tax
 - c. Motor Vehicle Leasing
 - d. Telecommunications Wireless Gross Receipts Tax
 - e. 911 Emergency Surcharge

When a taxpayer files using a SER these taxes will need to be reported using SD Quest (EPath for 911 Emergency Surcharge) or on a paper return.

- 2. Businesses providing construction services or realty improvements may be subject to contractors' excise tax. These businesses must register directly with the Department.
- 3. Special Jurisdiction Taxing District Codes
South Dakota has Indian Country controlled by several Indian Tribes. Some of the Tribal Governments have an agreement with the State for collection of the Tribal Tax. Those Tribes and the codes for remitting sales on Indian Country controlled by those Tribes are:
 - a. Cheyenne River Sioux Tribe 408-4
 - b. Crowe Creek Sioux Tribe 417-4
 - c. Oglala Sioux Tribe 411-4
 - d. Rosebud Sioux Tribe 412-4
 - e. Standing Rock Sioux Tribe 413-4