



Collection Allowance for Sales Tax Electronic Returns and Payments

Contact Information

Email: EPath@state.sd.us

Sales, Use and Contractors' Excise Tax Returns:
Phone 1.800.829.9188
Email: bustax@state.sd.us

911 Emergency Surcharge Returns:
Phone 1.800.829.9188
Email: dor.911@state.sd.us

Motor Fuel Returns:
Phone 605.773.4109

File and Pay at:
<http://sd.gov/epath>

For Sales Tax Returns and Payments

Effective January 1, 2014

Beginning January 1, 2014, you will receive a collection allowance if you timely file and pay your sales tax returns electronically to the Department of Revenue.

- The collection allowance is 1.5% of the tax due on the sales tax return, not to exceed \$70 for each reporting period.
- No allowance is given if you have a past due tax return or tax balance due the Department or if you do not file or pay electronically.
- No allowance is given on contractors' excise tax returns.

If you are not set up to file electronically, create an account on our EPath site at <http://sd.gov/epath/>.

If you have outstanding tax returns or a balance due, call our Taxpayer Assistance Center at 1-800-829-9188 (Option 1) for assistance in filing and paying.

Electronic Due Dates

Returns are due the 23rd of the month.

Payment is due the 2nd to last business day of the month.

ACH Debit Payments must be submitted 2 days prior to the date payment is to be pulled from your account.

The Department will review your sales tax account, as well as any contractors' excise tax, motor fuel tax, or 911 Surcharge accounts you have, when you submit the return and again when payment is due.

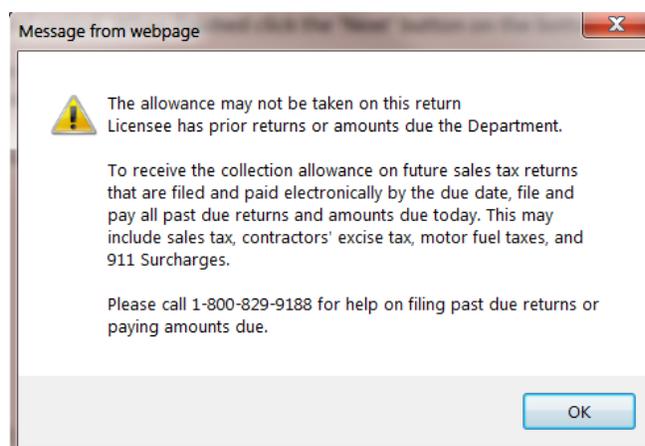
If you have multiple licenses with the Department, be sure that all returns are filed by the return due date and all payments are made by the payment due date.

- **When you submit the return**, EPath will review all your accounts and will only display the allowance on the Return Summary page if you are current on all accounts at that time.

The allowance is shown on the **Return Summary** page. The allowance line does not display if the allowance is not given on that return.

A. Sales and Use Tax	Rate	Tax Due
1. Gross Sales	\$75,000.00	
2. Use Taxable	\$10,000.00	
3. Non-Taxable Sales	\$5,000.00	
4. Special Jurisdictions (Indian Country, Reservations)		
5. State Sales and Use Tax	\$80,000.00 4.00%	\$3,200.00
B. City Tax		
C. Tourism Tax		
D. Other Taxes		
E. Totals		
Total Tax Due		\$3,200.00
Allowance		\$48.00
Total Due		\$3,152.00

If you are delinquent on another account at the time you are submitting your sales tax return you should see this message.



Do you owe back returns or taxes to the Department?

If so, file all returns due and pay all tax, penalty and interest due immediately. Once your accounts are current, you will receive the allowance on the next return.

If you file and pay the back returns and taxes and have at least 7 days before the due date of the current return, wait to file you current return until the due date or just prior – that will allow time for the prior returns to be received and payments applied to your account. You may still receive the allowance on that months return.

ACH Debit Payments must be submitted in EPath, 2 days prior to the date payment is to be pulled from your account.

If you have no outstanding taxes or returns due the warning message will not display and the allowance will show on your return summary.

Always be sure to file and pay the current return by the due date.

Note: The allowance may be removed after the return is submitted.

- **EPath reviews your accounts again on the payment due date** and will **REMOVE** the allowance if you are **NOT CURRENT** on all accounts at that time. You will be billed for the allowance and interest.

The allowance shown when you file the return timely **will be removed** if:

1. Payment in full is not received by the payment due date.
2. You become delinquent on another license.
3. You file an amended return on any license resulting in an amount due that is not paid prior to the due date for the current return.

To see the allowance adjustment go to View History, select View Account Activity.

When the allowance is removed this will show as an amended return.

On this example, the allowance on the 10/2013 return was removed because another account was not paid on time. This results in tax due plus interest.

Processed Items i

Period	Postmark	Type	Tax	Interest	Penalty	Balance
10/2013	11/30/2013	Interest	\$0.00	\$5.00	\$0.00	\$15.50
10/2013	11/30/2013	Amended Return	\$10.50	\$0.00	\$0.00	\$10.50
	11/27/2013	ACH Debit Payment	(\$689.50)	\$0.00	\$0.00	\$0.00
10/2013	11/15/2013	Electronic Return	\$689.50	\$0.00	\$0.00	\$689.50

Amended Returns – Allowance Adjustments

1. Amending a return to reduce the tax due.

When you file an amended return that lowers the tax due the allowance is also reduced.

Example: This amended return reduces the tax due by \$2200. The allowance is also reduced.

	Original Return	Amended Return (Total due for period)	Change
Total Tax Due	\$3200.00	\$1000.00	(\$2200.00)
Allowance	(\$48.00)	(\$15.00)	\$33.00
Total Due	\$3152.00	\$985.00	(\$2167.00)
Amount Paid	\$3152.00	\$3152.00	
Credit: Amount Paid less actual amount due		(\$2167.00)	(\$2167.00)

2. Amending a return to report additional tax due.

Amended returns submitted and paid after the return's due date will not receive additional allowance.

Example:

The March 2014 return (due April 23) is filed on April 23 showing Total Tax Due of \$2000 and Allowance of \$30 for Total Due of \$1970. Payment of \$1970 (due April 29) is submitted with a payment date of April 29, 2014.

On May 7, 2014, you amend the March 2014 return to show Total Tax Due of \$2200. No change is made to the allowance given on the original return. No additional allowance is given for the additional \$200 tax reported because the amended return is filed after the return due date of April 23. You owe an additional \$200 plus interest.

	Original Return for March 2014 Due April 23, 2014 Paid April 29, 2014	Amended Return for March 2014 (Total due for period) Submitted May 7, 2014 Paid May 10, 2014	Change
Total Tax Due	\$2000.00	\$2200.00	\$200.00
Allowance	(\$30.00)	(\$30.00)	
Prior Payment (credits)		(\$1970.00)	
Total Due	\$1970.00	\$200.00	\$200.00
Interest		\$5.00	\$5.00
Amount Paid	\$1970.00	\$205.00	\$205.00

EPath returns for the above example

a. **Original Return** filed and paid on time.

A. Sales and Use Tax	Rate	Tax Due
1. Gross Sales	\$50,000.00	
2. Use Taxable	\$0.00	
3. Non-Taxable Sales	\$0.00	
4. Special Jurisdictions (Indian Country, Reservations)		
5. State Sales and Use Tax	\$50,000.00 4.00%	\$2,000.00
B. City Tax		
C. Tourism Tax		
D. Other Taxes		
E. Totals		
Total Tax Due		\$2,000.00
Allowance		\$30.00
Total Due		\$1,970.00

b. **Amended Return** filed after the due date. This shows the return with the corrected figures.

A. Sales and Use Tax	Rate	Tax Due
1. Gross Sales	\$55,000.00	
2. Use Taxable	\$0.00	
3. Non-Taxable Sales	\$0.00	
4. Special Jurisdictions (Indian Country, Reservations)		
5. State Sales and Use Tax	\$55,000.00 4.00%	\$2,200.00
B. City Tax		
C. Tourism Tax		
D. Other Taxes		
E. Totals		
Total Tax Due		\$2,200.00
Allowance		\$30.00
Interest		\$5.00
Total Due		\$2,175.00

c. **Changes** reported on the amended return. The amendment resulted in tax due of \$200 plus \$5 interest.

A. Sales and Use Tax	Rate	Tax Due
1. Gross Sales	\$5,000.00	
2. Use Taxable	\$0.00	
3. Non-Taxable Sales	\$0.00	
4. Special Jurisdictions (Indian Country, Reservations)		
5. State Sales and Use Tax	\$5,000.00 4.00%	\$200.00
B. City Tax		
C. Tourism Tax		
D. Other Taxes		
E. Totals		
Total Tax Due		\$200.00
Interest		\$5.00
Total Due		\$205.00