

Reporting Special Jurisdiction Contractors' Excise Tax

Most Indian Tribes in South Dakota have a tax collection agreement with the State. Indian country controlled by a Tribe is called a Special Jurisdiction. Click  after each special jurisdiction name for the taxes imposed and the area included in that jurisdiction.

Reporting Excise Tax (Section A) for Special Jurisdictions

Receipts for work in a Special Jurisdiction that are subject to Contractors' Excise tax are reported using the Special Jurisdiction Code.

1. Include all receipts for work in South Dakota on line 1, Gross Receipts.
2. Include all owner furnished material for projects in South Dakota on line 2.
3. Include all nontaxable receipts in line 3, Deductions (these are subcontractor receipts – these receipts must also be included in line 1, gross receipts).
4. Check the Box "Do you have taxable amounts to report for Special Jurisdictions?" This displays a list of Special Jurisdictions.
5. For each Special Jurisdiction, include all receipts subject to Contractors' Excise Tax for work in that jurisdiction. If you were the prime contractor, also include the value of material the project owner furnished, except for work for a Qualified Utility.
 - a. The amounts must also be included in lines 1 and 2.
 - b. Do not include receipts that are not taxable, such as subcontractor receipts.

EPath calculates the 2% tax due each Special Jurisdiction and the State 2% contractors' excise tax.

Reporting Use Tax (Section B) for Special Jurisdictions

The following are subject to Use Tax and are reported using the Special Jurisdiction code (list is not all inclusive):

- Purchases of products or services delivered within the Special Jurisdiction if proper sales tax was not charged by the seller
- Purchases of products delivered to you outside South Dakota, but used within the Special Jurisdiction, if sales or use tax was not legally due and paid to the other state
- Material taken out of tax unpaid inventory within the Special Jurisdiction
- Owner furnished material, if you do not have documentation sales or use tax was previously paid

1. Include amounts of all purchases subject to the state use tax on line 7. This includes any item used, stored, or consumed in South Dakota if sales or use tax was not legally due and previously paid. Do not include amounts subject to Special Jurisdiction use tax.
2. Check the Box "Do you have sales or use taxable amounts to report for Special Jurisdictions?" This displays a list of the Special Jurisdictions.
3. For each Special Jurisdiction include the amounts subject to use tax. Do not include these amounts on line 7.

EPath will calculate the 4% tax due for the State Sales and Use tax and each Special Jurisdiction.

Reporting City Sales and Use Tax (Section C)

You may owe city sales or use tax in addition to the 4% use tax. If the city is not listed, click in the Add a City box and either type the city name or select the city from the drop down list. Enter the Amount taxable and click Add.

Return Example

Contractor has receipts from two projects during October 2012.

Project 1: \$100,000 received from an excavation job in Hyde County, no material used.

Contractor owes:

- 2% contractors' excise tax on \$100,000
- No sales or use tax as no material is used

Project 2: \$100,000 received from City of Eagle Butte to install sewer pipe. City provides pipe valued at \$50,000 (no sales or use tax was paid by the city).

Contractor owes:

- 4% sales tax, plus 2% Eagle Butte city tax on \$50,000. Material furnished by the city.
- 2% contractors' excise tax on the \$100,000 in receipts and the \$50,000 value of owner furnished materials. (The use tax is included in the \$100,000 receipts)

Because Project 2 was on the Cheyenne Special Jurisdiction (reservation), the contractors' excise tax and use tax is reported under the Special Jurisdiction code.

Select and open the return for October 2012.

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Contractors' Excise Tax

Filing Activity

If you have nothing to report for this period and would like to file a zero return select

Do you have any information to report for this period? Yes No

A. Contractors' Excise Tax Calculations ⓘ Amount

1. Gross Receipts from construction services or realty improvements ⓘ	200000.00
2. Owner-Furnished Materials ⓘ	50000
3. Deductions ⓘ	0.00

4. Do you have contractors' excise taxable receipts to report for Special Jurisdictions (Indian Country including Reservations)? ⓘ

	Taxable Amount	Rate	Tax Due
5. Net Amount subject to State Contractors' Excise Tax	\$0.00	2.00%	\$0.00
Contractors' Excise Tax Due			\$0.00

Enter all receipts in Line 1.

Enter all Owner Furnished Material in Line 2.

Check box in 4.
There are receipts to report for Special Jurisdictions

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Contractors' Excise Tax

Filing Activity
 If you have nothing to report for this period and would like to file a zero return select 'No' then select 'Next'
 Do you have any information to report for this period? Yes No

A. Contractors' Excise Tax Calculations ⓘ Amount

1. Gross Receipts from construction services or realty improvements ⓘ	200,000.00
2. Owner-Furnished Materials ⓘ	50,000.00
3. Deductions ⓘ	0.00

4. Do you have contractors' excise taxable receipts to report for Special Jurisdictions (Indian Country including Reservations)? ⓘ

Special Jurisdiction Reporting	Taxable	Code	Rate	Tax Due
Cheyenne-ET ⓘ	150,000.00	408-2	2.00%	\$3,000.00
Crow Creek-ET ⓘ	0.00	417-2	2.00%	\$0.00
	0.00	411-2	2.00%	\$0.00
	0.00	412-2	2.00%	\$0.00
	0.00	414-2	2.00%	\$0.00
	0.00	413-2	2.00%	\$0.00
	0.00	418-2	2.00%	\$0.00

	Taxable Amount	Rate	Tax Due
5. Net Amount subject to State Contractors' Excise Tax ⓘ	\$100,000.00	2.00%	\$2,000.00
6. Total Contractors' Excise Tax Due			\$5,000.00

Include the actual receipts plus the owner furnished material subject to contractors' excise tax from the project in Cheyenne Special Jurisdiction.

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Sales and Use Tax

B. Sales and Use Tax ⓘ

7. Net Amount subject to State Sales and Use Tax ⓘ 4.00% \$0.00

8. Do you have sales or use taxable amounts to report for Special Jurisdictions (Indian Country including Reservations)? ⓘ

Special Jurisdiction Reporting	Taxable	Code	Rate	Tax Due
Cheyenne-ST ⓘ	50,000.00	408-4	4.00%	\$2,000.00
Crow Creek-ST ⓘ	0.00	417-4	4.00%	\$0.00
	0.00	411-4	4.00%	\$0.00
	0.00	412-4	4.00%	\$0.00
	0.00	414-4	4.00%	\$0.00
	0.00	413-4	4.00%	\$0.00
	0.00	418-4	4.00%	\$0.00

Report the owner furnished materials subject to use tax under the Cheyenne Special Jurisdiction code.
 DO NOT include this amount in line 7.

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City Sales and Use Tax

Add a City City Sales and Use Taxable

Add

B. City Tax					City Sales and Use Taxable			
City	Taxable	Code	Rate	Tax Due				
<input type="checkbox"/> Eagle Butte	50,000.00	102-2	2.00%	\$1,000.00				
				Total City Tax Due:	\$1,000.00			

Report the owner furnished materials subject to city use tax under Eagle Butte in the City Sales and Use Tax section

Return Summary – Displays amounts showing all Special Jurisdictions and city taxes reported.

Penalty and Interest is added to the return when the return is filed late. For this example, the Oct 2012 return was due in November 2012.

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A. Contractors' Excise Tax Calculations					Code	Rate	Tax Due
1. Gross Receipts	\$200,000.00						
2. Owner-Furnished Materials	\$50,000.00						
3. Deductions	\$0.00						
4. Special Jurisdictions							
Cheyenne	\$150,000.00	408-2	2.00%	\$3,000.00			
5. State Contractors' Excise Tax	\$100,000.00		2.00%	\$2,000.00			
B. Sales and Use Tax Calculations							
6. State Sales and Use Tax	\$0.00		4.00%	\$0.00			
7. Special Jurisdiction Reporting							
Cheyenne	\$50,000.00	408-4	4.00%	\$2,000.00			
C. City Tax							
Eagle Butte	\$50,000.00	102-2	2.00%	\$1,000.00			
Total City Tax Due				\$1,000.00			
D. Totals							
Total Tax Due				\$8,000.00			
Interest				\$500.00			
Penalty				\$800.00			
Total Due				\$9,300.00			

Examples of error or warning messages you may receive.

1. Only taxable amounts are included under the Special Jurisdiction Code. These amounts must also be included on lines 1 and/or 2. On this return the taxable amounts from lines 1 to 3 is only 13,000.

You are required to correct this before continuing to the next page.

Contractors' Excise Tax

Filing Activity				
If you have nothing to report for this period and would like to file a zero return select 'No' then select 'Next'				
Do you have any information to report for this period? <input checked="" type="radio"/> Yes <input type="radio"/> No				
A. Contractors' Excise Tax Calculations ⁱ		Amount		
1. Gross Receipts from construction services or realty improvements ⁱ	<input type="text" value="10000.00"/>			
2. Owner-Furnished Materials ⁱ	<input type="text" value="5000"/>			
3. Deductions ⁱ	<input type="text" value="2000"/>			
4. <input checked="" type="checkbox"/> Do you have contractors' excise taxable receipts to report for Special Jurisdictions (Indian Country including Reservations)? ⁱ				
Special Jurisdiction Reporting	Taxable	Code	Rate	Tax Due
Special Jurisdiction taxable cannot exceed Gross Receipts (line 1) plus Owner-Furnished Materials (line 2) minus Deductions (line 3). Amounts reported under Special Jurisdictions must also be reported in Gross Receipts and/or Owner-Furnished Materials.				
Cheyenne-ET ⁱ	<input type="text" value="15000"/>	408-2	2.00%	\$0.00
Crow Creek-ET ⁱ	<input type="text" value="0.00"/>	417-2	2.00%	\$0.00
Oglala (Pine Ridge)-ET ⁱ	<input type="text" value="0.00"/>	411-2	2.00%	\$0.00
Rosebud-ET ⁱ	<input type="text" value="0.00"/>	412-2	2.00%	\$0.00
Sisseton-Wahpeton-ET ⁱ	<input type="text" value="0.00"/>	414-2	2.00%	\$0.00
Standing Rock-ET ⁱ	<input type="text" value="0.00"/>	413-2	2.00%	\$0.00
Yankton-ET ⁱ	<input type="text" value="0.00"/>	418-2	2.00%	\$0.00
		Taxable Amount	Rate	Tax Due
5. Net Amount subject to State Contractors' Excise Tax ⁱ	<input type="text" value="\$0.00"/>		2.00%	\$0.00
6. Total Contractors' Excise Tax Due				\$0.00

Contractors' Excise Tax

Corrected Entries

Filing Activity				
If you have nothing to report for this period and would like to file a zero return select 'No' then select 'Next'				
Do you have any information to report for this period? <input checked="" type="radio"/> Yes <input type="radio"/> No				
A. Contractors' Excise Tax Calculations ⁱ		Amount		
1. Gross Receipts from construction services or realty improvements ⁱ	<input type="text" value="10,000.00"/>			
2. Owner-Furnished Materials ⁱ	<input type="text" value="5,000.00"/>			
3. Deductions ⁱ	<input type="text" value="2,000.00"/>			
4. <input checked="" type="checkbox"/> Do you have contractors' excise taxable receipts to report for Special Jurisdictions (Indian Country including Reservations)? ⁱ				
Special Jurisdiction Reporting	Taxable	Code	Rate	Tax Due
Cheyenne-ET ⁱ	<input type="text" value="13,000.00"/>	408-2	2.00%	\$260.00
Crow Creek-ET ⁱ	<input type="text" value="0.00"/>	417-2	2.00%	\$0.00
Oglala (Pine Ridge)-ET ⁱ	<input type="text" value="0.00"/>	411-2	2.00%	\$0.00
Rosebud-ET ⁱ	<input type="text" value="0.00"/>	412-2	2.00%	\$0.00
Sisseton-Wahpeton-ET ⁱ	<input type="text" value="0.00"/>	414-2	2.00%	\$0.00
Standing Rock-ET ⁱ	<input type="text" value="0.00"/>	413-2	2.00%	\$0.00
Yankton-ET ⁱ	<input type="text" value="0.00"/>	418-2	2.00%	\$0.00
		Taxable Amount	Rate	Tax Due
5. Net Amount subject to State Contractors' Excise Tax ⁱ	<input type="text" value="\$0.00"/>		2.00%	\$0.00
6. Total Contractors' Excise Tax Due				\$260.00

2. You cannot claim more nontaxable receipts than were reported for receipts in line 1. Amounts taken as a deduction must also be included in line 1. You are required to correct this error before continuing with your return.

You may click on the underlined warning, this will open Section A of the return so you can correct the reported amounts.

Warnings	
❗	Your return resulted in a credit. If this is not correct, please review the amounts reported.
❗	The Deductions (line 3) cannot be greater than Gross Receipts (line 1). Please adjust the Gross Receipts or Deductions to continue.

A. Contractors' Excise Tax Calculations	Code	Rate	Tax Due
1. Gross Receipts			\$10,000.00
2. Owner-Furnished Materials			\$0.00
3. Deductions			\$15,000.00
4. Special Jurisdictions			
5. State Contractors' Excise Tax		2.00%	(\$100.00)
B. Sales and Use Tax Calculations			
6. State Sales and Use Tax		4.00%	\$0.00
7. Special Jurisdiction Reporting			
C. City Tax			
D. Totals			
Total Tax Due			(\$100.00)
Total Due			(\$100.00)

This is a warning, if the amounts are properly reported and you should have a credit on the return, click next to continue to the verify page to submit your return.