



DEPARTMENT OF REVENUE

# Fiscal Year 2019 ANNUAL REPORT



John Richter



Lori Haupt



Betty Morford

Our staff's talents extend well beyond our offices! Front and back cover photos were provided by Sr. Revenue Agent Betty Morford, Revenue Supervisor Lori Haupt, Motor Fuel Revenue Agent Ryan Conway-Hay, and Sr. Litigation Counsel John Richter.

The FY2019 Department of Revenue Annual Report is available in the "publications" section on the department's website at [dor.sd.gov](http://dor.sd.gov). The online report will be considered the most up-to-date and accurate version. Any corrections or modifications made to the report after the print version is issued will be noted in the online version on this page, along with a description of the correction or update.

State (SDCL ch. 20-13) and federal (Title VI of the Civil Rights Act of 1964, the Rehabilitation Act of 1973 as amended and the Americans with Disabilities Act of 1990) laws require that the Department of Revenue provides services to all people without regard to race, color, creed, religion, sex, disability, ancestry, or national origin. The South Dakota Department of Revenue 2019 Annual Report is written and designed to make information accessible to the general reader. One hundred seventy-five copies of this document were printed at a cost of \$5.15 per document.

# Table of Contents

## Who We Are

Message from the Secretary....	2
DOR Website.....	3
Department Leadership.....	4
Strategic Plan.....	6
Our Staff.....	7

## Revenue At a Glance

50-State Comparison.....	8
Tax Revenue Summary.....	11

## Revenues by Division

Business Tax.....	12
Audit.....	16
Gaming.....	18
Lottery.....	19
Motor Vehicle.....	22
Property Tax.....	26

## More Information

DOR Education.....	29
DOR Lean.....	30
Municipal Tax Revenues.....	Appendix A
Taxable Valuations by County....	Appendix B
Office Locations.....	37



## Highlights

Tax Burden Comparison	8
Remote Seller Stats	10
Special Event Revenues	15
Gaming Distributions	18
New Lotto System	21
Motor Fuel Revenues	25
Tax Increment Financing	27

# A Message From Secretary Terwilliger



“ Fiscal Year 2019 was my first with the Department of Revenue, as I was humbled to join the team in January. I was appointed as Secretary of Revenue by Governor Noem after serving for more than 12 years at the South Dakota Bureau of Finance and Management as State Economist and most recently as Deputy Commissioner. ”

To the Honorable Governor Noem, the South Dakota Legislature, and my fellow South Dakotans,

I am pleased to report another successful year for the Department of Revenue, thanks in large part to our dedicated staff and partnerships throughout the state.

Fiscal Year 2019 was my first with the Department of Revenue, as I was humbled to join the team in January. I was appointed as Secretary of Revenue by Governor Noem after serving for more than 12 years at the South Dakota Bureau of Finance and Management as State Economist and most recently as Deputy Commissioner.

Our team hit the ground running for another busy year, which included a special legislative session. The special legislative session resulted in amendments to our remote seller law and a marketplace provider bill that were both implemented during Fiscal Year 2019. Each of these laws were the culmination of the efforts of many of our stakeholders, and we cannot express enough gratitude towards them for their part in a smooth implementation. As the economy continues to evolve, these laws will provide a level playing field for main street businesses throughout the nation.

Speaking of evolving technology, the Department of Revenue now has a new look. We recently launched a new website, which we hope enhances our customer service. The goal of the new website is to provide all of our customers and partners with a responsive resource that will quickly get them to the information that is most important to them. We used feedback from individuals, businesses, and local governments to build the website, and we thank all who assisted us in this effort.

As we look forward to another successful year, I hope you enjoy our Fiscal Year 2019 Annual Report!

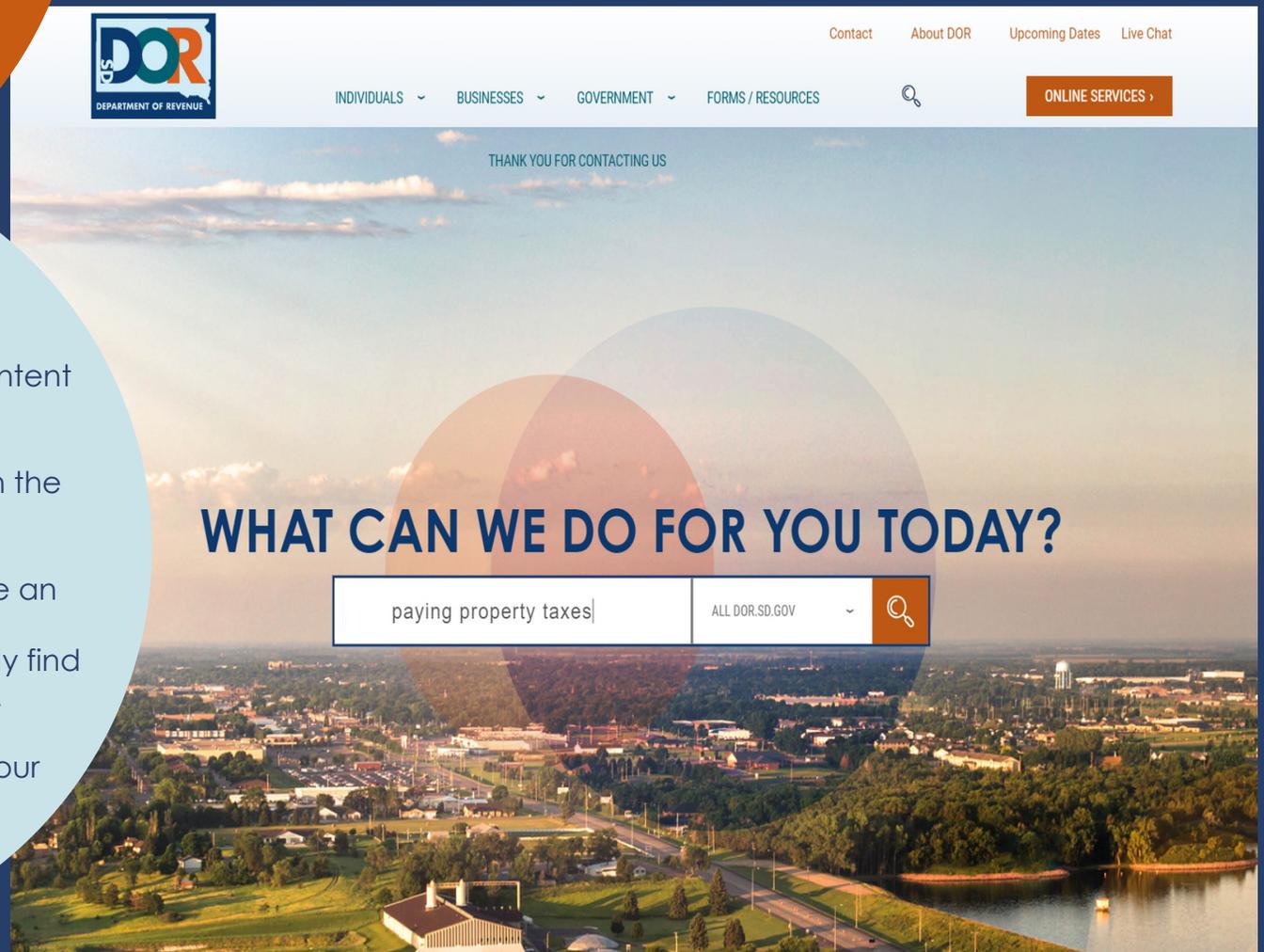
# Visit Our New Website!

In order to better serve our customers, the Department of Revenue's website has a new look!

During the last two years, our team has partnered with local governments, business owners, and South Dakota citizens to understand how we can provide a positive experience and be more accessible in all that we do. Our new website is the result of all those conversations and research.

## New Features

- **Robust Search Function** - Type in keywords and we'll provide the content you need in real time.
- **Mobile-Friendly Design** - Take us on the go, just like you've always wanted.
- **Streamlined Menus**- Whether you're an individual, business owner, or government partner, you will quickly find the information that applies to you.
- **Electronic Forms** - Submit many of our applications and forms with the click of a mouse.



# Meet our Leadership

Deputy Secretary  
**David Wiest**



Secretary  
**Jim Terwilliger**



**Administration**  
**Toni Richardson**



We provide professional services to the department:

- Budget, finance, and procurement
- Technology support
- Social media and public information requests
- Education, both internal and external
- Continuous improvement
- Strategic planning
- Project management

**Audit**  
**Rachel Williams**



We audit the following tax types:

- Sales and Use
- Municipal Sales and Use
- Contractor's Excise
- Motor Fuel
- Mineral Severance
- Bank Franchise
- Tourism

We identify and resolve errors made in tax reporting.

**Chief Legal Counsel**  
**Michael Houdyshell**



We provide:

- Routine legal counsel to the department
- Investigative Services Bureau
- Legal representation regarding:
  - Audits
  - Jeopardy assessments
  - Relief agency requests
  - Motor vehicle issues
  - Alcohol license issues
  - Tax license revocations

**Commission on Gaming**  
**Susan Christian**



We are comprised of five commissioners responsible for regulating the gaming industry in:

- City of Deadwood
- Pari-mutuel horse racing
- Pari-mutuel wagering

We administer Indian gaming compacts.

**In Property Tax, we:**

- Provide oversight of county property tax systems
- Assist local governments by providing training and certification to directors of equalization
- Administer the Telephone Gross Receipts Tax and alternative tax for commercial wind farms and rural electric tax

**Property Tax**  
**Lesley Coyle**



**Business Tax**  
**Doug Schinkel**



We administer the following taxes through licensing, education, compliance, license reviews, and collection of delinquent taxes on licensed and unlicensed businesses:

- Sales and Use
- Municipal Sales and Use
- Contractor's Excise
- Tourism
- Tobacco
- Alcohol
- Bank Franchise
- Severance
- 911 Surcharge

We provide support to the tribal tax collection agreements.

**We market:**

- Instant Tickets
- Lotto Games

**We regulate:**

- Video Lottery

**The Lottery Commission:**

- Establishes policy
- Reviews and approves major contracts and procurements
- Consults on management and operation issues

**Lottery**  
**Norm Lingle**



**Motor Vehicles**  
**Rosa Yaeger**



**We Collect:**

- Motor Vehicle Excise Tax
- Vehicle Registration Fees
- Motor Fuel Tax
- Special Fuel Tax

**We administer:**

- International Registration Plan (IRP)
- Unified Carrier Registrations (UCR)
- Commercial and Non-Commercial Motor Vehicle Licensing, Titling, and Registration
- International Fuel Tax Agreement (IFTA)

**We regulate:**

- Licensed Motor Vehicle Dealers

# Strategic Plan

Fiscal Year 2019 marked the second year of the department's strategic plan, Revenue 2020. All levels of DOR staff collaborated to develop the department's initiatives and measurements. This year's goals focus on engaging our team and using data to better serve our customers.

SOUTH DAKOTA  
REVENUE  
2020

**Vision:** To create an open and collaborative environment that provides professional customer service, contributes to a favorable economic climate, and is accountable to the citizens of South Dakota.



## Engaging and Developing Our Team

### Develop Criteria for Employees to Work Alternative Work Schedules

**Measurement:** Development of Alternative Work Schedule Policy

### Increase Employee Training Opportunities

- Build Individualized Training Plans for Employees
- Encourage Learning Management System Usage
- Create Department of Revenue Specific Training Opportunities
- Expand Supervisor Training

**Measurements:** Increase the Number of Customized Training Options  
Increase Usage of Learning Management System

## Leveraging Information through Data Analytics to Support Decision Making

### Development of Data Standards

**Measurement:** Data Standards are Set for All DOR Systems

### Getting Access to Department Data

- Identify All DOR Data Sources
- Access Raw Data for Analytical Purposes
- Increase Number of Licensed Microsoft Power BI Users

**Measurements:** DOR Employees Have Access to Data Electronically for Analytical Purposes  
Reduce the Number of Specialized Programming Hours

### Provide Training Opportunities for Data Analytics

- Train Users in Technology and Analytics

**Measurement:** Increase the Number of Employees Who Utilize Analytics



# Our Staff

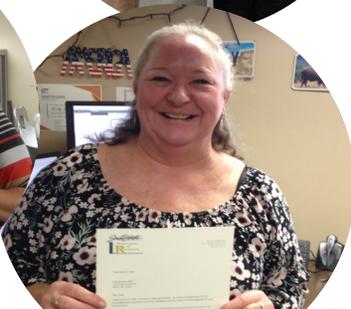
DOR HAS A STAFF DEDICATED TO PUBLIC SERVICE AND ASSISTING OUR PARTNERS WITH ALL OF THEIR NEEDS.



244 LOYAL EMPLOYEES



2,736 YEARS OF PUBLIC SERVICE



# Nationwide Impact

The Department of Revenue's staff features a number of valued employees whose impact extends far beyond South Dakota. Below are a few of those employees and the organization in which they play a role.

- Alison Jares**, Streamlined Sales Tax Project
- Kelsey Johnson**, Streamlined Sales Tax Project
- Chris Keil**, IFTA Clearinghouse Advisory Committee
- Allysen Kerr**, Multistate Tax Commission
- Sandy O'Day**, American Association of Motor Vehicle Administrators
- Norm Lingle**, Multi State Lottery Association
- Kathy Smith**, Multistate Tax Commission
- Monica Weischedel**, American Association of Motor Vehicle Administrators
- Marshall Milli**, American Association of Motor Vehicle Administrators
- Rachel Williams**, Streamlined Sales Tax Project
- Rob Sheffield**, International Registration Plan Audit Committee
- Russ Hanson**, International Association of Assessing Officers
- Todd Bailey**, International Association of Assessing Officers
- Wendy Semmler**, International Association of Assessing Officers
- Sally Staufer**, Federation of Tax Administrators
- Lori Colberg**, Federation of Tax Administrators

# Giving Back

Our staff's passion for assisting others extends well beyond the tax world! Throughout the year, staff took part in many fundraising efforts.

Some of the organizations we've assisted include:

- Sioux Falls Ronald McDonald House
- United Way
- Feeding South Dakota
- Tough Enough to Wear Pink
- United Blood Services
- River City Domestic Violence Center
- PAWS Animal Rescue
- Toys For Tots
- Twin City Humane Society
- Deadwood Rec Center

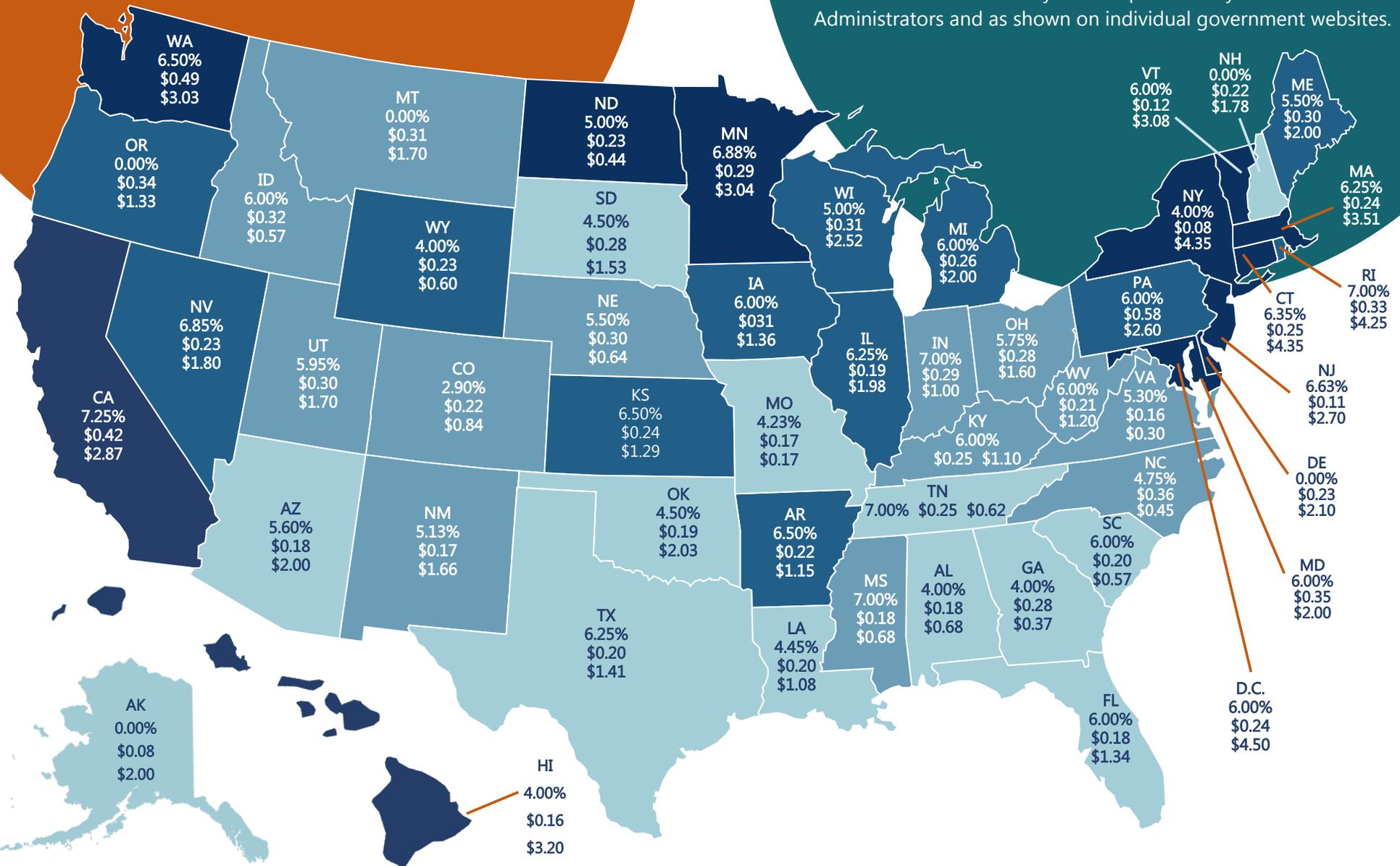


# 50-State Comparison

The three figures in each state are, top to bottom:

- Sales tax rate,
- Gasoline tax per gallon,
- Cigarette tax per package.

The gradient represents each state's tax burden per capita -- the darker the color, the higher the burden. Local tax rates are not included unless mandatory. Data is provided by the Federation of Tax Administrators and as shown on individual government websites.



## Total Tax Burden

Rank	State	Per Capita
1	Dist. of Columbia	\$ 11,331
2	North Dakota	\$ 5,533
3	Hawaii	\$ 5,431
4	Connecticut	\$ 5,341
5	Vermont	\$ 5,244
6	Minnesota	\$ 4,758
7	New York	\$ 4,531
8	California	\$ 4,424
9	Delaware	\$ 4,363
10	Massachusetts	\$ 4,296
11	New Jersey	\$ 3,911
12	Maryland	\$ 3,711
13	Washington	\$ 3,527
14	Maine	\$ 3,295
15	Rhode Island	\$ 3,294
16	Kansas	\$ 3,279
17	Arkansas	\$ 3,266
18	Wisconsin	\$ 3,224
19	Iowa	\$ 3,196
20	Wyoming	\$ 3,180
21	Pennsylvania	\$ 3,179
22	Illinois	\$ 3,128
23	Michigan	\$ 3,052
24	Nevada	\$ 3,018
25	Oregon	\$ 3,017
26	West Virginia	\$ 3,000
27	Indiana	\$ 2,899
28	Nebraska	\$ 2,795
29	Montana	\$ 2,772
30	Idaho	\$ 2,764
31	Virginia	\$ 2,758
32	New Mexico	\$ 2,707
33	Kentucky	\$ 2,699
34	North Carolina	\$ 2,683
35	Mississippi	\$ 2,642
36	Colorado	\$ 2,599
37	Utah	\$ 2,543
38	Ohio	\$ 2,492
39	Louisiana	\$ 2,437
40	Oklahoma	\$ 2,425
41	Arizona	\$ 2,272
42	Alabama	\$ 2,262
43	Georgia	\$ 2,244
44	Alaska	\$ 2,226
45	<b>South Dakota</b>	<b>\$ 2,174</b>
46	Florida	\$ 2,158
47	New Hampshire	\$ 2,153
48	Missouri	\$ 2,126
49	Tennessee	\$ 2,108
50	Texas	\$ 2,102
51	South Carolina	\$ 2,075

## Comparing the Region

State	Gas Tax (¢ per gallon)	Sales Tax (%)	Highest Individ Income Tax (%)	Cig Tax Rate (¢ per pack)
<b>South Dakota</b>	<b>\$0.280</b>	<b>4.500%</b>	<b>0.00%</b>	<b>\$1.53</b>
Iowa	\$0.305	6.000%	8.53%	\$1.36
Minnesota	\$0.285	6.875%	9.85%	\$3.04
Montana	\$0.315	0.000%	6.90%	\$1.70
Nebraska	\$0.296	5.500%	6.84%	\$0.64
North Dakota	\$0.230	5.000%	2.90%	\$0.44
Wyoming	\$0.230	4.000%	0.00%	\$0.60

At just \$2,174, South Dakota had the seventh lowest per capita state tax burden in 2018, according to the latest figures available from the U.S. Bureau of the Census and Bureau of Economic Analysis. The statistics listed on the left are per capita state tax burdens for all 50 states and the District of Columbia, beginning with the highest.

### Top-10 Highest Gasoline Tax Rates

1	Pennsylvania	\$0.576
2	Washington	\$0.494
3	California	\$0.417
4	North Carolina	\$0.362
5	Maryland	\$0.353
6	Oregon	\$0.340
7	Rhode Island	\$0.330
8	Idaho	\$0.320
9	Montana	\$0.315
10	Wisconsin	\$0.309

### Top-10 Highest Cigarette Tax Rates

1	New York	\$4.350
1	Connecticut	\$4.350
3	Rhode Island	\$4.250
4	Massachusetts	\$3.510
5	Hawaii	\$3.200
6	Vermont	\$3.080
7	Minnesota	\$3.040
8	Washington	\$3.025
9	California	\$2.870
10	New Jersey	\$2.700

### Top-10 Highest Sales Tax Rates

1	California	7.250%
2	Indiana	7.000%
2	Mississippi	7.000%
2	Rhode Island	7.000%
2	Tennessee	7.000%
6	Minnesota	6.875%
7	Nevada	6.850%
8	New Jersey	6.625%
9	Arkansas	6.500%
9	Kansas	6.500%
9	Washington	6.500%

# Remote Seller and Marketplace Provider Taxation

Fiscal Year 2019 was another important one in terms of remote seller taxation. The year featured a special legislative session, which resulted in laws that enabled the State of South Dakota to collect applicable sales tax from remote sellers and marketplace providers. Amendments to the remote seller law went into effect November 1, 2018, while the marketplace provider law went into effect March 1, 2019.

While these are both important steps in maintaining tax fairness for all retailers throughout the state, the Department of Revenue is taking steps to ensure the laws are administered equally for all parties. Please see below for some of these steps, as well as tax collection figures.

## Education



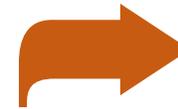
Leading up to the implementation dates of each law, the DOR focused its efforts on educating both out-of-state and in-state businesses on how the laws affect them.



## Implementation



DOR partnered with businesses throughout the nation to not only license them, but also collect applicable taxes.



## Enforcement



While hundreds of businesses throughout the nation are licensed and paying tax, some are not. The department is continuously doing research to identify businesses that meet our thresholds.

## State Sales Tax Reported by Remote Sellers

Month	FY18	FY19	Percent Change
July	\$6,294,019	\$6,255,463	-0.6%
August	\$4,208,554	\$5,035,280	19.6%
September	\$4,858,597	\$5,069,254	4.3%
October	\$4,997,685	\$5,571,722	11.5%
November	\$4,669,368	\$5,579,406	19.5%
December*	\$4,931,666	\$6,326,749	28.3%
January	\$7,275,261	\$8,353,613	14.8%
February	\$4,386,830	\$5,833,018	33.0%
March	\$4,266,849	\$5,169,870	21.2%
April**	\$5,123,192	\$7,642,065	49.2%
May	\$4,283,475	\$7,418,818	73.2%
June	\$4,482,290	\$7,068,777	57.7%
<b>Totals</b>	<b>\$59,777,786</b>	<b>\$75,324,035</b>	<b>26.0%</b>

## Municipal Sales Tax Reported by Remote Sellers

Month	FY18	FY19	Percent Change
July	\$2,285,144	\$2,299,705	0.6%
August	\$1,445,763	\$1,855,391	28.3%
September	\$1,721,004	\$1,862,189	8.2%
October	\$1,799,825	\$2,105,434	17.0%
November	\$1,652,418	\$2,084,732	26.2%
December*	\$1,775,065	\$2,285,551	28.8%
January	\$2,702,583	\$3,386,816	25.3%
February	\$1,576,504	\$2,171,262	37.7%
March	\$4,386,830	\$5,833,018	33.0%
April**	\$1,547,525	\$2,171,262	40.3%
May	\$1,519,615	\$2,805,377	84.6%
June	\$1,974,727	\$2,624,545	32.9%
<b>Totals</b>	<b>\$24,387,003</b>	<b>\$31,485,282</b>	<b>29.1%</b>

\* December of Fiscal Year 2019 was the first month in which the Department of Revenue processed returns since the implementation of Special Session SB1 (Remote Sellers)

\*\* April of Fiscal Year 2019 was the first month in which the Department of Revenue processed returns since the implementation of Special Session SB2 (Marketplace Providers)

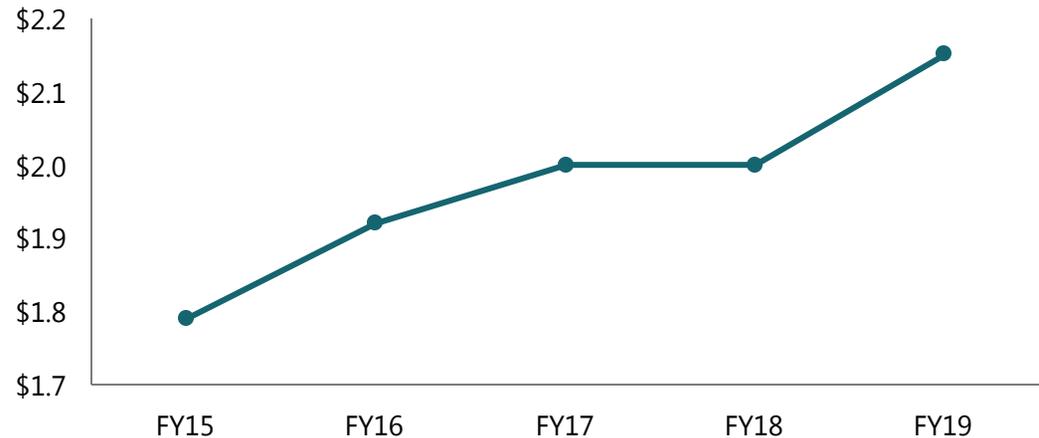
# TAX REVENUE SUMMARY

The Department of Revenue is the principal tax collection agency for the State of South Dakota and collects a number of different state taxes. These taxes are grouped into four main categories: sales, use, and contractor's excise taxes; motor fuel taxes; motor vehicle fees and taxes; and special taxes. Once collected, these tax revenues are distributed to three primary locations: the state general fund, local units of government, and the state highway fund.

Fiscal Year 2019  
state tax revenue totaled  
**\$2,154,133,929**



Up 3.9%  
from FY18



Of the total tax revenue collected in Fiscal Year 2019, 72.0% came from sales, use, and contractor's excise taxes. Motor fuel taxes accounted for 9.9%, motor vehicle taxes 9.4%, special taxes 6.0%, and special funds 2.8%.

The table below shows a five-year comparison of revenues collected in each category.

Fiscal Year	Sales, Use, and Excise Taxes	Special Funds*	Motor Fuel Taxes**	Motor Vehicle Fees***	Special Taxes****	Total	Percent Change
2015	\$1,303,995,340	\$43,506,966	\$169,843,878	\$165,401,153	\$111,960,795	\$1,794,708,132	3.8%
2016	\$1,344,420,908	\$44,817,106	\$211,150,393	\$197,394,765	\$119,887,584	\$1,917,670,756	6.9%
2017	\$1,440,565,779	\$40,417,694	\$211,993,156	\$192,188,850	\$124,094,540	\$2,009,260,019	4.8%
2018	\$1,493,286,450	\$50,454,354	\$209,762,406	\$196,953,129	\$122,772,579	\$2,073,228,918	3.2%
2019	\$1,550,417,631	\$60,702,609	\$212,209,837	\$202,102,398	\$128,701,454	\$2,154,133,929	3.9%

<b>Five-Year Average</b>	<b>\$1,426,537,222</b>	<b>\$47,979,746</b>	<b>\$202,991,934</b>	<b>\$190,802,695</b>	<b>\$121,483,390</b>	<b>\$1,989,794,987</b>
--------------------------	------------------------	---------------------	----------------------	----------------------	----------------------	------------------------

\* Other Taxes and Fees include: Tourism Tax, 911 Emergency Surcharge, Water/Environment Fund, Intermediate Care Facility Tax, Motor Vehicle Leasing Fund, Telecom, and Reinvestment

Payment/Building SD Fund.

\*\* Includes Tank Inspection Fees

\*\*\* Includes Unified Carrier Registration Fee

\*\*\*\* Cigarette Tax, Other Tobacco Products Tax, Cigarette License Fee, Liquor License Fee, Malt Beverage License Fee, Alcoholic Beverage Brand Registration Fee, Alcohol Beverage Excise Tax, Alcoholic Beverage 2% Purchase Price Tax, Underage Penalty Fees, Bank Franchise Tax, Precious Metal Tax, Energy Mineral Tax, Coin Laundry License Fees, Amusement Device Fees,

# Business Tax

## Revenues

Tax Type	FY17	Percent Change	FY18	Percent Change	FY19	Percent Change
Sales and Use - State	\$958,531,929	10.3%	\$995,997,148	3.9%	\$1,031,517,738	3.6%
Contractor's Excise - State	\$106,828,537	5.3%	\$107,626,628	0.8%	\$113,163,617	5.1%
Sales and Use - Cities	\$363,700,431	0.0%	\$378,292,963	4.0%	\$394,329,730	4.2%
Sales, Use, and Contractor's Excise - Tribal	\$11,504,882	16.0%	\$11,369,711	-1.2%	\$11,406,546	0.3%
Tourism	\$12,533,888	-2.9%	\$12,967,660	3.5%	\$13,438,658	3.6%
911 Emergency/Prepaid Wireless Surcharge	\$13,023,564	-0.1%	\$13,188,895	1.3%	\$13,284,626	0.7%
Water and Environment Fund	\$34,583	21.4%	\$73,274	111.9%	\$21,163	-71.1%
Intermediate Care Facility	\$1,280,698	6.5%	\$1,329,593	3.8%	\$1,323,936	-0.4%
Reinvestment Program	\$1,482,381	-65.6%	\$8,858,506	497.6%	\$21,837,473	146.5%
Building SD Fund	\$1,188,207	-23.4%	\$3,758,100	216.3%	\$0	-100.0%
Motor Vehicle Leasing Fund	\$1,991,247	5.4%	\$2,059,784	3.4%	\$2,313,807	12.3%
Telecom	\$8,883,126	-10.3%	\$8,218,542	-7.5%	\$8,482,946	3.2%
Cigarette Tax - State	\$52,992,499	-3.1%	\$49,892,816	-5.9%	\$45,518,207	-8.8%
Cigarette Tax - Tribal	\$2,551,715	12.5%	\$2,367,097	-7.2%	\$2,245,816	-5.1%
Cigarette License Fees	\$12,975	1.8%	\$12,450	-4.1%	\$13,425	7.8%
Other Tobacco Products - State	\$8,816,651	6.1%	\$9,264,848	5.1%	\$9,453,009	2.0%
Other Tobacco Products - Tribal	\$301,326	13.1%	\$302,718	0.5%	\$242,052	-20.0%
Liquor License Fees	\$189,420	16.5%	\$211,843	11.8%	\$193,402	-8.7%
Malt Beverage License Fees	\$400,640	1.7%	\$383,789	-4.2%	\$384,837	0.3%
Alcoholic Beverage Brand Registration Fees	\$575,931	19.3%	\$626,158	8.7%	\$636,058	1.6%
Alcohol Beverage Excise Tax	\$14,978,530	1.0%	\$16,917,664	13.0%	\$15,420,647	-8.9%
Alcoholic Beverage 2% Purchase Price Tax	\$1,954,454	5.6%	\$2,020,940	3.4%	\$2,150,157	6.4%
Underage Penalty Fees	\$51,000	-36.1%	\$49,000	-3.9%	\$42,750	-12.8%
Bank Franchise Tax	\$30,727,618	7.6%	\$32,375,549	5.4%	\$46,295,361	43.0%
Precious Metals Tax	\$7,760,198	68.8%	\$5,243,114	-32.4%	\$2,698,808	-48.5%
Energy Mineral Tax	\$2,415,969	-21.2%	\$2,756,855	14.1%	\$3,070,795	11.4%
Coin Laundry License Fees	\$246,450	1.4%	\$244,960	-0.6%	\$242,050	-1.2%
Coin Laundry License Fees - Tribal	\$2,816	102.9%	\$2,528	-10.2%	\$2,705	7.0%
Amusement Device Fees	\$70,464	5.4%	\$66,876	-5.1%	\$60,708	-9.2%
Bingo License Fees	\$32,500	30.0%	\$20,000	-38.5%	\$20,000	0.0%
Bingo Tax	\$13,384	-11.9%	\$13,374	-0.1%	\$10,667	-20.2%

\* 2018's House Bill 1044 eliminated the Building SD Fund revenues.

# Where the Money Went

Tax Type	General Fund	Local Government	Tribal Jurisdictions	Other
Sales and Use - State	100%	-	-	-
Contractor's Excise - State	100%	-	-	-
Sales and Use - Cities	-	100%	-	-
Sales, Use, and Contractor's Excise - Tribal	-	-	100%	-
Tourism	-	-	-	100%
911 Emergency/Prepaid Wireless Surcharge	-	-	-	100%
Water and Environment Fund	-	-	-	100%
Intermediate Care Facility	100%	-	-	-
Reinvestment Payment Program	-	-	-	100%
Building SD Fund	-	-	-	100%
Motor Vehicle Leasing Fund	-	-	-	100%
Telecom	60%	40%	-	-
Cigarette Excise Tax	(1)	-	-	-
Cigarette License Fee	100%	-	-	-
Other Tobacco Products	(1)	-	-	-
Bank Franchise Tax (2)	26.66%	73.33%	-	-
Ore Tax	100% (3)	-	-	-
Energy Minerals Severance Tax	50%	50%	-	-
Coin Operated Laundromat Fee	100%	-	-	-
Conservation Tax	-	-	-	(4)
Amusement Machine Registration	(5)	(5)	-	-
Alcoholic Beverage 2% Purchase Price Tax	100%	-	-	-
Liquor License Fee	100%	-	-	-
Alcohol Beverage Brand Registration	100%	-	-	-
Alcohol Excise Tax	50%	50%	-	-
Malt Beverage License Fee	50%	50%	-	-

(1) The first \$30 million collected annually is deposited in the state general fund. The next \$5 million goes into the tobacco prevention and reduction trust fund. The remaining revenue in excess of \$35 million is deposited into the state general fund.

(2) An exception exists regarding credit card banks. 95% of the revenue derived from the tax is deposited into the state general fund, while 5% goes to the county where the bank is located. If there is no physical presence in South Dakota, then 100% is deposited into the state general fund.

(3) Revenues from mining companies licensed after January 1, 1981 are split as follows: 80% to the state, 20% to the county of production (subject to a \$1 million per county cap).

(4) 100% of the tax collected is placed in the environment and natural resources fee fund.

(5) Revenue from devices located outside of municipalities is deposited into the state general fund. If the amusement device is located within a municipality, then the revenues are remitted to the municipality.

# Municipalities

While cities set their own sales and use tax rates, the department is responsible for collecting the taxes.

Those revenues are then distributed to the taxing units based on the amount collected for each city (**shown in Appendix A of this report**). These municipal sales and use tax revenues do not necessarily indicate the level of economic activity in these areas since municipalities vary in their tax rates and the size of their tax bases.

In Fiscal Year 2019, 251 municipalities imposed municipal sales and use taxes. The maximum local tax rate that can be levied in South Dakota is 2%, unless a city meets the provisions of SDCL 10-52-2.4.

Cities may also impose a 1% municipal gross receipts tax (MGRT) which is levied in addition to the municipal sales tax. The municipal gross receipts tax can be imposed on alcoholic beverages, eating establishments, lodging accommodations, ticket sales and admissions to places of amusement, and athletic and cultural events.

## Fiscal Year 2019 Changes

Interior increased its 1.9% general sales and use tax to 2%.

Trent and Rosholt increased their 1% general sales and use tax to 2%.

Hermosa and Interior imposed a 1% MGRT.

Roslyn increased its 2% general sales and use tax to 3%.

# Special Jurisdictions

The State of South Dakota and five Indian tribes have entered into comprehensive tax collection agreements that include state and tribal sales, use, tourism, and contractor's excise tax. The state and two Indian tribes have entered into limited tax collection agreements that cover use and contractor's excise tax at certain locations. On the Indian country areas that are covered by a tax collection agreement, the state and the tribe each have the ability to tax certain individuals and certain transactions. All businesses in the Indian country areas are responsible for remitting tax. The tax remitted is then distributed between the state and the tribe based on each tribe's separate tax collection agreement.

Special Jurisdiction	ST Rate	UT Rate	ET Rate	Tourism	FY2018	FY2019	Percent Change
Cheyenne River Sioux Tribe	4.5%	4.5%	2.0%	1.5%	\$3,636,827	\$3,402,738	-6.4%
Crow Creek Sioux Tribe	4.5%	4.5%	2.0%	1.5%	\$576,466	\$591,062	2.5%
Oglala Sioux Tribe	4.5%	4.5%	2.0%	1.5%	\$3,377,839	\$3,274,513	-3.1%
Rosebud Sioux Tribe	4.5%	4.5%	2.0%	1.5%	\$2,878,469	\$3,107,997	8.0%
Sisseton-Wahpeton Oyate	-	4.5%	2.0%	-	\$3,634	\$2,902	-20.2%
Standing Rock Sioux Tribe	4.5%	4.5%	2.0%	1.5%	\$895,813	\$1,025,899	14.5%
Yankton Sioux Tribe	-	4.5%	2.0%	-	\$663	\$1,434	116.2%
<b>Totals</b>					<b>\$11,369,711</b>	<b>\$11,406,546</b>	<b>0.3%</b>

# Special Events

Revenue agents license vendors to collect state sales, municipal, and tourism taxes at various special events across the state throughout the year. The table below compares taxes collected at South Dakota's largest special events during Fiscal Year 2019 to the previous year.

Event	FY2018*	FY2019*	% + / -
Black Hills Stock Show	\$68,397	\$69,116	1.1%
Brookings Arts Festival	\$36,013	\$33,388	-7.3%
Brown County Fair	\$35,228	\$38,242	8.6%
South Dakota State Fair	\$205,103	\$210,387	2.6%
Sturgis Motorcycle Rally**	\$1,363,863	\$1,360,171	-0.3%
Central States Fair	\$52,609	\$54,638	3.9%
Sioux Empire Fair	\$52,197	\$44,768	-14.2%
Spearfish Arts Festival	\$19,993	\$21,134	5.7%
<b>Totals</b>	<b>\$1,833,402</b>	<b>\$1,831,844</b>	<b>-0.1%</b>

\* Total Tax includes state, municipal, municipal gross receipts, and tourism taxes

\*\* The Sturgis Motorcycle Rally includes Meade, Lawrence, Butte, Pennington, Custer, and Fall River Counties, as well as the cities within those counties.

## DOR On The Go

The DOR staff could be at a city near you!

Each year, staff from many of our divisions attend special events throughout the state. Whether we are ensuring tax compliance from temporary vendors, answering property tax questions on site, or providing "Good Fun" through the South Dakota Lottery, we take pride in hitting the road to serve South Dakotans.

We also host a temporary office in Huron twice a month to aid our customers!



# Audit

The Audit Division is responsible for selecting and performing audits on behalf of the Department of Revenue. The primary purpose of an audit is to verify the gross receipts, deductions, and use tax reported on tax returns, to ensure required record keeping is in place, and to work with auditees to ensure understanding of the tax laws.

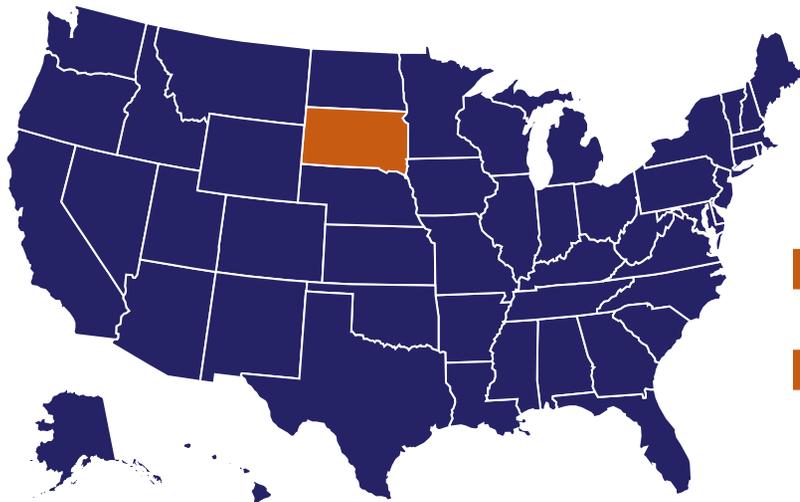
## Audits, Assessments, and Revenues\*

Tax Type	FY2018				FY2019			
	Audits	Assessments	Credits	Payments Received	Audits	Assessments	Credits	Payments Received
Sales, Use, and Contractor's Excise	1,970	\$21,226,193	-\$1,664,686	\$17,425,313	1,779	\$16,362,567	-\$2,792,873	\$16,047,617
Fuel, Prorate, IFTA	202	\$48,423	-\$24,702	\$370,074	237	\$153,994	-\$180,402	\$466,084
Bank Franchise	1	\$511,139	\$0	\$0	6	\$3,579,974	\$0	\$2,755,524
<b>Totals</b>	<b>2,173</b>	<b>\$21,785,755</b>	<b>-\$1,689,388</b>	<b>\$17,795,388</b>	<b>2,022</b>	<b>\$20,096,536</b>	<b>-\$2,973,275</b>	<b>\$19,269,224</b>

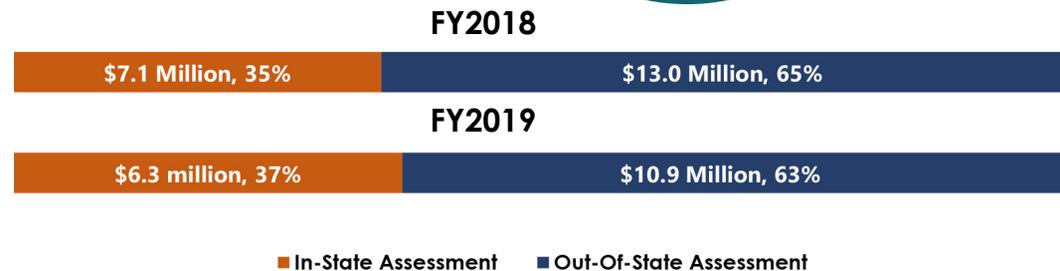
\*Assessments and credits are from the original certificates of assessment.

"(The Auditor) was wonderful to work with...(They) told us what we were doing right, what we could improve on, and future pitfalls to watch for when doing business. [They] made a not so pleasant process better than expected."  
- Satisfied Customer

## In-State vs. Out-of-State Net Sales, Use, and Contractor's Excise Tax Assessments

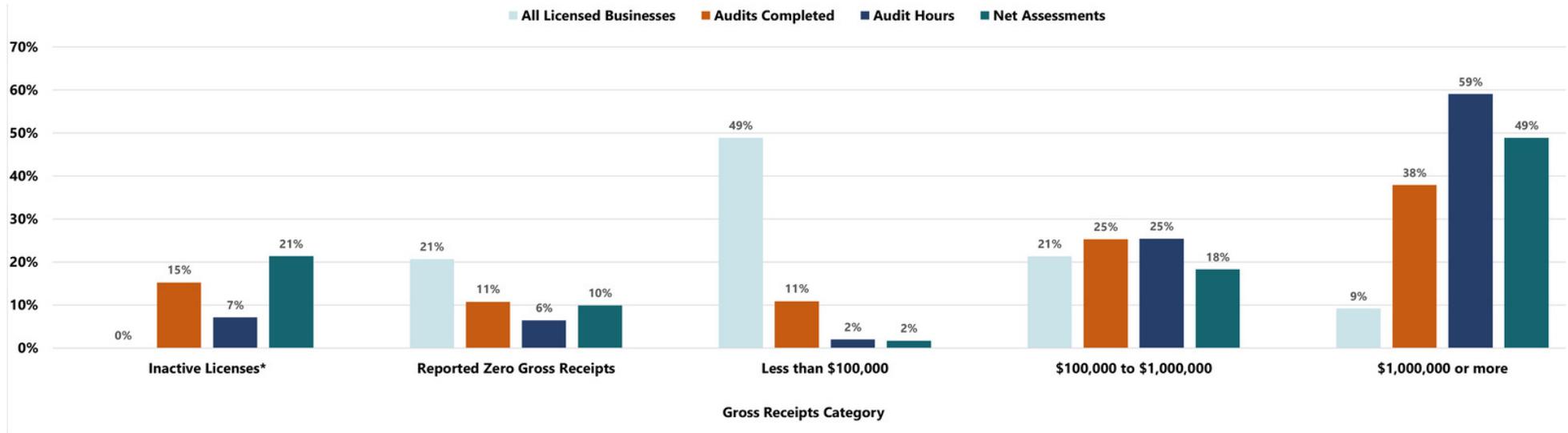


"I know that auditors aren't growing on trees, but more frequent audits would be nice for the sake of the teaching moments that come."  
- Satisfied Customer



# FY2019 Audit Metric Distribution by Business Size

The graph below shows the percentage of businesses that fall into five different size categories. This information is compared to how much of the audit time and net assessments are associated with those same taxpayers.



\*"Inactive licenses" is made up of businesses that may have been sold or reorganized, out-of-state contractors that may no longer have in-state projects, and other entities that no longer have a South Dakota tax liability.

## Common Errors Found During an Audit

### Common Sales Tax Errors

1. Under-reporting of sales tax due to poor record keeping.
2. Exempting sales to taxable customers such as churches and 501(c)(3) entities.
3. Municipal tax and municipal gross receipts tax (MGRT) reporting errors.
4. Not having valid exemption certificates on file.
5. Sales tax charged on construction services subject to excise tax.

### Common Use Tax Errors

1. Not remitting use tax on goods and services purchased/used.
2. Not remitting use tax on items taken from inventory and used personally or in your business.
3. Not remitting use tax on owner-furnished materials (OFM).
4. Not remitting use tax on equipment brought in from out of state.
5. Use tax paid in error on purchases of services subject to excise tax.

### Common Motor Fuel

#### Excise Tax Errors

1. Errors in reporting due to poor record keeping.
2. Not keeping the nine required items on trip sheets. (IFTA/IRP)
3. Substituting an invoice or other document for a bill of lading. (Supplier)
4. Not including non-taxable exports on returns. (Importer/Exporter/Supplier)
5. Incorrect reporting of product authorizations – a product authorization must occur before the rack and bill of lading must reflect the new supplier.

### Common Contractor's Excise Tax Errors

1. Under-reporting of excise tax due to poor record keeping.
2. Not remitting excise tax on owner-furnished materials (OFM).
3. Not reporting excise tax on work performed for Local, State or Federal Gov't agencies.
4. Excise tax charged on construction services subject to sales tax.
5. Not including the excise tax invoiced and collected in reported gross receipts.

# Gaming

In Fiscal Year 2019, total gaming action in Deadwood was \$1,128,157,357, up 4.01% from the previous year.

At the close of the fiscal year, there were 2,847 licensed gaming devices, 120 retail locations and approximately 1,346 licensed gaming employees.

More details on gaming revenues from Fiscal Year 2019 can be accessed in the Commission on Gaming's Annual Report, which can be found at <https://dor.sd.gov>.

## Revenues

Gross Revenue Tax	\$8,994,462
FY19 Device Tax	\$5,694,000
City Slot Tax	\$437,500
License Fees	\$86,701
Application Fees	\$49,845
Interest	\$17,526
Device Testing Fees	\$14,805
Penalty on Disciplinary Action	\$3,370
<b>Total Additions to Fund:</b>	<b>\$15,298,209</b>

## Distributions

City of Deadwood (SDCL 42-7B-48 & 48.1)	\$6,843,922
SD Tourism (SDCL 42-7B-48)	\$3,191,229
SD General Fund (SDCL 42-7B-48.1)	\$1,433,181
Administrative Expenses (Includes DOR Admin Charge)	\$1,423,385
SD General Fund (SDCL 42-7B-28.1)	\$997,259
Lawrence County(SDCL 42-7B-48)	\$797,807
Other Municipalities (SDCL 42-7B-48.1)	\$204,740
School Districts (SDCL 42-7B-48.1)	\$204,740
SD Historical Preservation (SDCL 42-7B-48)	\$100,000
SD Department of Social Services (SDCL 42-7B-48.3)	\$43,079
Capital Equipment	\$2,374
<b>Total Allocations from Fund:</b>	<b>\$15,241,716</b>



## Did you know?

Gaming revenues paid dividends as the Commission on Gaming contributed nearly half of a million dollars to Black Hills Area municipalities and schools.

### Municipalities that received funds were:

<b>Central City</b>	<b>\$2,016</b>
<b>Lead</b>	<b>\$39,812</b>
<b>Spearfish</b>	<b>\$148,916</b>
<b>Whitewood</b>	<b>\$13,996</b>

### School Districts that received funds were:

<b>Belle Fourche</b>	<b>\$243</b>
<b>Lead-Deadwood</b>	<b>\$50,870</b>
<b>Spearfish</b>	<b>\$144,261</b>
<b>Meade</b>	<b>\$9,367</b>

# Lottery

The lottery revenue generated for state funds during Fiscal Year 2019 was more than \$129.4 million. These revenues came from three sources, which are shown in the chart below.

More details on lottery revenues from Fiscal Year 2019 can be accessed in the Lottery's annual report, which can be found at <http://lottery.sd.gov>.

## Revenues

	Sales	Prizes	Commission	Revenue Distributed
Instant Tickets	\$32,237,932	\$21,321,309	\$1,696,855	\$6,896,813
Lotto Tickets	\$30,708,432	\$16,383,207	\$1,564,614	\$8,256,004
Video Lottery *	\$785,798,335	\$555,564,866	\$115,116,734	\$114,269,567**
			<b>Total</b>	<b>\$129,422,384</b>

\* Video Lottery sales are cash in; prizes are cash out; private share of net machine income is retailer commission.

\*\* One-half of one percent (0.5%) of the state's share is retained by the Lottery for administration.

## Did You Know?

Since its inception in 1987, the Lottery has distributed an impressive \$2.94 billion to its beneficiaries!

These distributions help fund K-12 schools, state universities, technical institutes, water systems, and more!



## Where the Money Went

	General Fund	Capital Construction Fund	Department of Social Services *
Instant Tickets	\$6,896,813	\$ -	\$ -
Lotto Tickets	\$2,064,001	\$6,192,003	\$ -
Video Lottery	\$113,965,567	\$ -	\$214,000
Video Lottery License Fees	\$90,000	\$ -	\$ -
<b>Totals</b>	<b>\$123,016,381</b>	<b>\$6,192,003</b>	<b>\$214,000</b>

\* The SD Lottery annually provides the Department of Social Services with funding for problem gambling services. Funding comes from the Lottery's 0.5% of net machine income for administration.

## Instant Tickets

The Lottery launched 29 new instant ticket games during Fiscal Year 2019. Prices for instant tickets ranged from \$1 to \$20, and prizes ranged from \$1 to \$500,000, as well as merchandise prizes.

At the close of Fiscal Year 2019, there were 629 licensed instant ticket retailers across the state. Retailers receive a 5% commission for selling tickets, and a 1% commission for cashing winning tickets for prizes up to \$100 or for selling tickets with prizes of more than \$100.

Fiscal Year 2019 instant ticket sales were up 6.8% from the previous year and revenues were up 6.1%. Revenue from the sale of instant tickets is distributed to the General Fund.

## Instant Ticket Sales Have Back-To-Back Record Years

Fiscal Year 2018's instant ticket sales didn't sit atop the record books for long, thanks to a history-making Fiscal Year 2019.

Like the year before, new tickets were a key component in the new sales record. Fiscal Year 2019 featured the debut of 29 new tickets, which helped the Lottery accumulate \$32,237,932 in sales. The success of Fresh Fridays was no accident though, as the Lottery once again utilized the expertise of players across the state to select these new tickets.

The Lottery surveyed players' perception of certain tickets to gauge their interest in new play styles, price points, and ticket art. The perception studies have been pivotal in the consecutive record-setting years and will continue to be utilized in the future.

## Lotto Tickets

South Dakota currently offers five lotto games. Powerball, Mega Millions, Lotto America, and Lucky For Life are multi-state games. Dakota Cash with EZ Match is played only in South Dakota.

At the end of Fiscal Year 2019, there were 616 licensed lotto retailers. Lotto retailers receive a 5% commission for selling tickets, plus varying bonuses for selling larger winning tickets.

Lotto games reported an overall sales increase of 9.7% and transfers decreased 0.5% from Fiscal Year 2018.

The General Fund receives 25% in net revenue from lotto tickets. The Capital Construction Fund receives the other 75%.



## Lottery Celebrates First Lucky For Life Top Prize Winner

Brandi Jo Hanson's lucky numbers will pay dividends to the tune of \$1,000 a day for the rest of her life.

The 23-year-old Aberdeen resident claimed her life-changing prize from the South Dakota Lottery after becoming the state's first Lucky for Life top prize winner. Hanson purchased her ticket at Ken's SuperFair Foods in Aberdeen prior to the December 31 drawing.

"I feel very blessed. I'm very grateful," Hanson said. "It's life-changing. It's a little overwhelming. I was really scared at first, and I didn't know what to do. Now, after talking things out with my financial adviser, we have a plan."

Hanson's Lucky for Life win granted her a unique dilemma. She could either choose the game's \$1,000 a day for life or a one-time payment of \$5.7 million.

## Video Lottery

Video lottery sales (cash in) increased by 4.4% in Fiscal Year 2019.

The average number of active video lottery machines during Fiscal Year 2019 was 9,207, and the average number of licensed establishments was 1,246.

The revenue from video lottery is calculated on net machine income, which is cash-in (sales) minus cash-out (prizes). Net machine income is divided between the state and machine operators on a 50/50 split. One-half of one percent (0.5%) of the state's share is retained by the Lottery for administration.

Revenue from video lottery net machine income is distributed to the General Fund.

### New Second Chance Drawings Provide Unique Prizes

South Dakota Lottery players who purchased non-winning instant tickets didn't despair as our second chance drawings provided several exciting opportunities.

The second chance drawings, which are exclusive to the South Dakota Lottery's Players Club members, allow players to enter qualifying non-winning tickets into a drawing. Whether it was a new truck, a year's worth of pork, concert tickets and more, players enjoyed more play styles than ever when it came to these drawings.

Fort Thompson's Raquel Moffer was one of FY19's big second chance winners as she claimed a brand new Ford F150 through our Trucks & Bucks promotion.

Moffer was one of the many Players Club members who used the South Dakota Lottery's mobile app to take a second chance. The app allows players to simply scan their tickets to enter second chance drawings, making them more convenient than ever.

"Get the mobile app. It's very helpful, especially with the new tickets out," Moffer said. "You can scan the tickets to see if you're a winner or not then you have the second chance option if it's not. I've actually been promoting it quite a bit."



### Video Lottery Sales Reach New Heights

Options for our video lottery players have never been better, which was proven by a record year in sales.

The state's share of Net Machine Income totaled \$115.1 million, breaking the previous record that was set in Fiscal Year 2008. The record year was due in large part to the continued use of line game terminals, which continue to show positive trends.

At the conclusion of Fiscal Year 2019, the growth in video lottery line games continued to grow with 4,058 machines throughout the state. The state also featured 4,888 legacy terminals at the end of the year.

While the line games were at a slight disadvantage in quantity, their quality proved to be the preference of our players. At the conclusion of Fiscal Year 2019, the line games not only averaged more Net Machine Income per day, but they also provided more cash in and total Net Machine Income.

### Coming Soon! New Lotto System

Throughout Fiscal Year 2019, the Lottery completed a Request For Proposal (RFP) in search of a new lotto system that will benefit retailers and players throughout the state.

After receiving pitches from multiple potential suitors, the Lottery entered into a contract with International Gaming Technology (IGT). The two parties celebrated a November 2019 conversion date, which was preceded by rolling out elements of it to retailers at the conclusion of FY19.

New features include the new Retailer Pro terminal, a new retailer website, and communications tools to improve data analytics and decision-making processes.

Now that the conversion is completed, retailers and players can expect new features, such as the ability to scan lotto tickets in the Lottery's mobile app, that will enhance their lotto experience.

# Motor Vehicle

The Department of Revenue's Motor Vehicle Division collects motor vehicle excise tax, vehicle registration fees, motor fuel tax, and special fuel tax. The division also regulates licensed motor vehicle dealers.

The Motor Vehicle Division administers the International Registration Plan (IRP), Unified Carrier Registrations (UCR), the International Fuel Tax Agreement (IFTA), and commercial and non-commercial motor vehicle licensing, titling, and registration.

## Revenue Sources

Revenue Source	FY17	% Change over Previous Year	FY18	% Change over Previous Year	FY19	% Change over Previous Year
Aviation Fuel	\$789,493	9.3%	\$782,009	-1.0%	\$697,145	-10.9%
Motor Fuel Tax	\$187,311,848	0.4%	\$185,685,868	-0.9%	\$188,141,743	1.3%
Motor Fuel Tax - Tribal	\$5,164,015	-7.2%	\$5,066,987	-1.9%	\$4,840,570	-4.5%
International Fuel Tax Agreement (IFTA)	\$1,031,669	13.9%	\$956,060	-7.3%	\$992,473	3.8%
Tank Inspection Fees	\$17,696,131	1.9%	\$17,271,482	-2.4%	\$17,537,906	1.5%
Prorate - Registration Fees & Excise Tax	\$18,794,363	-7.0%	\$19,617,128	4.4%	\$20,132,683	2.6%
Unified Carrier Registration Fees	\$872,307	6.0%	\$685,568	-21.4%	\$964,852	40.7%
Motor Vehicle Titles & Registrations	\$172,522,180	-2.2%	\$176,650,433	2.4%	\$181,004,863	2.5%

## Distributions

Revenue Source	General Fund	Local Government	State Highway Fund	Other
Motor Fuel Excise Tax	-	-	100%	-
Motor Vehicle Excise	-	-	100%	-
Motor Vehicle Registration Fees	-	95.75%	-	(1)
Snowmobiles	-	-	-	(2)
Plates and Permits	-	-	-	License Plate Revolving Fund
Title and Penalty Fees	-	-	-	Motor Vehicle Fund (MVF)
Mobile home Registration Fees	25%	63.75%	-	11.25% MVF

(1) 1.75% is deposited to the State Motor Vehicle Fund, and 2.5% goes to the License Plate Special Revenue Fund.

(2) 90% goes to Game, Fish, and Parks and 10% to State Motor Vehicle Fund.

# Registration and Title Revenues

Motor Vehicle Excise Tax of 4% is collected on sales of motor vehicles that operate on South Dakota's roads and highways. Vehicles used on public roadways or waterways must also be licensed and registered each year. Registration is confirmed by the issuance of a license plate/decals.

Title and Registration Revenues	FY2018	FY2019	Percent Change
License Plate Fees-State's Share*	\$5,467,515	\$5,661,751	3.55%
License Plate Fees-Counties', Cities', Townships' Share	\$52,220,002	\$53,657,650	2.75%
Snowmobiles	\$120,993	\$121,662	0.55%
Boats	\$1,618,072	\$1,739,815	7.52%
Temporary Special Permits	\$84,272	\$85,624	1.60%
Mobile Home Plates	\$4,800	\$5,400	12.50%
Dealer Fees	\$400,836	\$421,312	5.11%
Duplicate Plates, Replacement Plates	\$276,352	\$307,986	11.45%
Title and Penalty Fees	\$2,736,311	\$2,468,206	-9.80%
Trailer ID Fees	\$68,986	\$65,682	-4.79%
Motorcycle Safety Education Fees	\$688,799	\$767,019	11.36%
Mobile Home Registration Fees-State's Share	\$129,781	\$105,996	-18.33%
Other Vehicle 4% Excise Tax	\$110,384,282	\$113,260,997	2.61%
Snowmobile 3% Excise Tax	\$249,692	\$282,313	13.06%
Register of Deeds Fees	\$187,315	\$187,470	0.08%
DENR-Solid Waste Fees	\$1,292,625	\$1,309,601	1.31%
DPS-Highway Patrol Fees	\$1,039,907	\$923,214	-11.22%
<b>Total Receipts</b>	<b>\$176,970,540</b>	<b>\$181,371,698</b>	<b>2.49%</b>

\*State Motor Vehicle Fund, License Plate Special Revenue Fund

## Title Processing

Number of Titles Issued



Our motor vehicle division strives to issue motor vehicle titles in an efficient and reliable manner. During Fiscal Year 2019, 380,898 motor vehicle titles were issued!

# Renew On The Go!



In Fiscal Year 2019, more than 97,000 vehicle registrations were renewed through our self-service terminals (SST).

All you need is a credit card or check and a South Dakota ID to have your registration card and stickers printed in minutes!

See the map for all of our locations. For more information, visit <https://sddmynowkiosk.com/>



## Go online with MySDCars!

South Dakotans have no shortage of options when it comes to which license plates their vehicles feature. The Department of Revenue offers a wide array of specialty license plates, many of which can be ordered online by logging on to <http://mysdcars.sd.gov>.

This website can also be used to renew your vehicle registrations from the comfort of your own home!

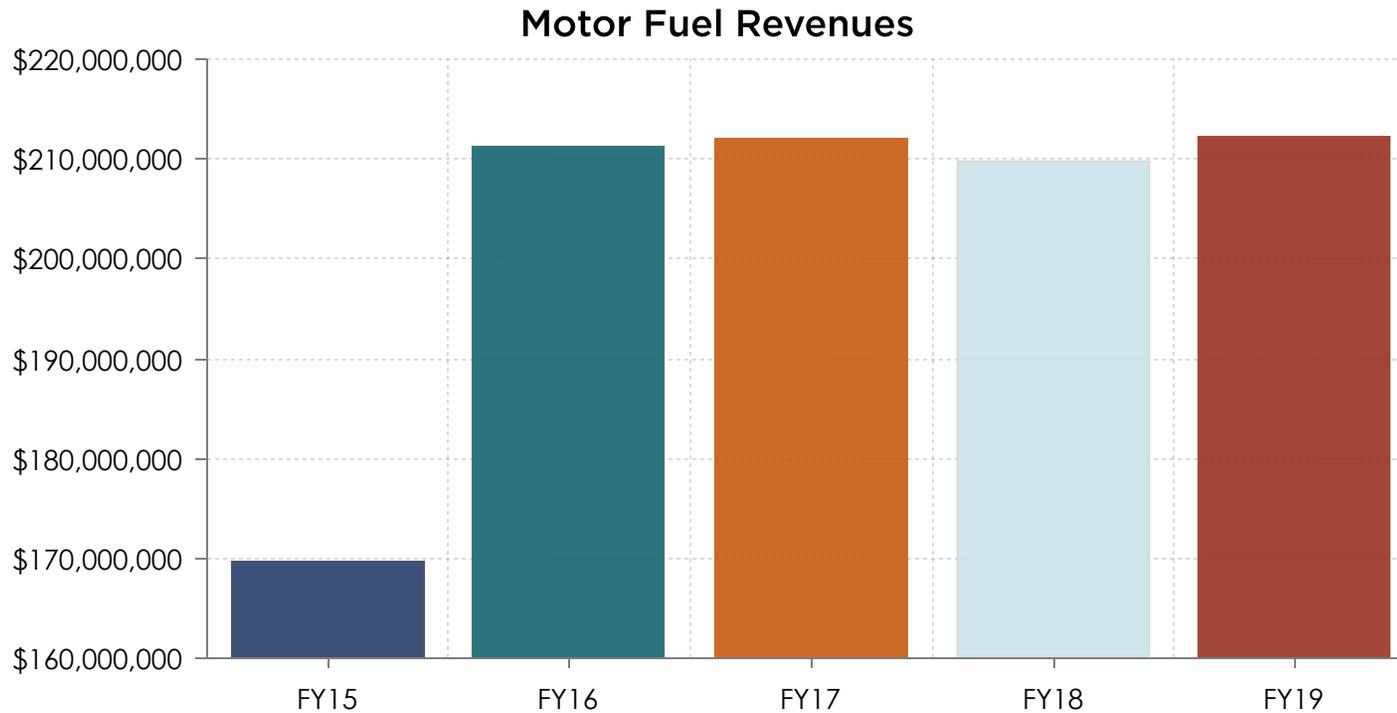
## Did you know?

There are currently 142 different South Dakota license plates.



# Motor Fuel Tax

Many fuel types, including gasoline, diesel, ethyl alcohol, methyl alcohol, aviation fuel, jet fuel, and liquid petroleum gas (LPG), fall into the fuel tax category. In Fiscal Year 2019, total fuel tax revenues amounted to \$212,209,837. The chart below compares South Dakota's fuel tax revenues for the past five years. Each fuel type is taxed at a different rate as per South Dakota law.



2015's Senate Bill 1 went into effect April 1, 2015. The bill featured increases in motor vehicle excise tax, licensing and registration fees for non-commercial vehicles, and the motor fuel excise tax.

## Did you know?

In most cases, motor fuel tax is collected at the rack (the pipeline terminal)—which means the supplier remits the tax to the state prior to the customer's purchase.

Your price at the pump includes Federal and State taxes.



### By the Numbers

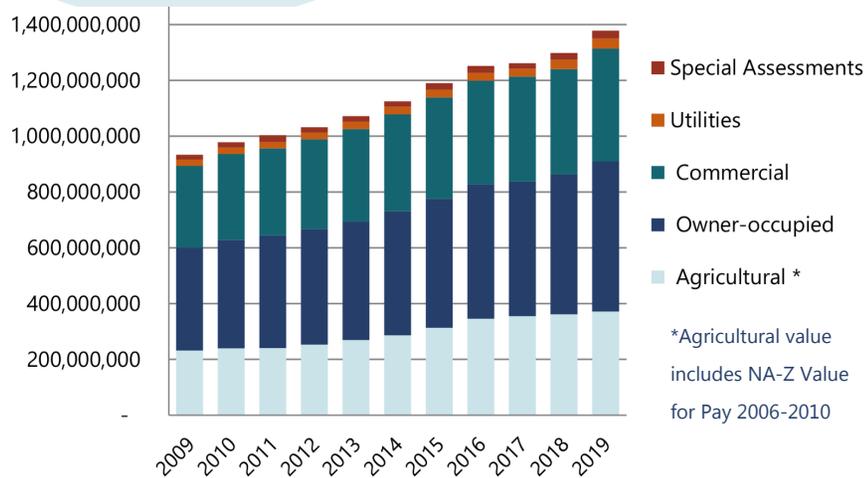
South Dakota has **16** different motor fuel license types and a total of **3,144** licensees.

# Property Tax

In 2019, South Dakota property owners paid more than \$1 billion to fund local governments and provide K-12 education for the state's children. The state does not collect or spend any property tax money. Each county administers its own property tax system. The department's primary role is to assist local governments in making property valuations that are fair and in compliance with the law. The following tables show the portion of the total taxes paid by each classification of property, and where the money collected is spent.

## Who Paid

Property Tax Contribution



2019 Tax Contribution Breakdown



## Tax Distribution Comparison

2009

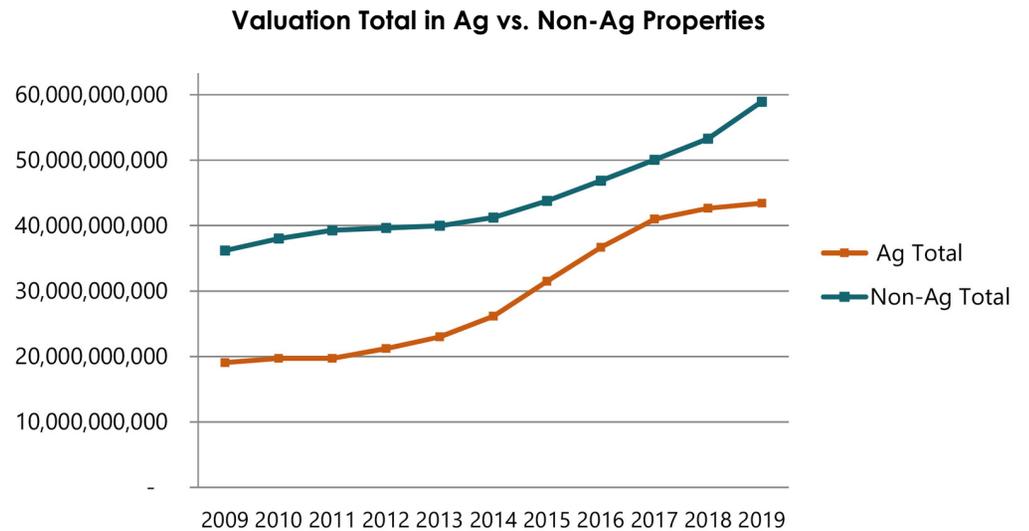
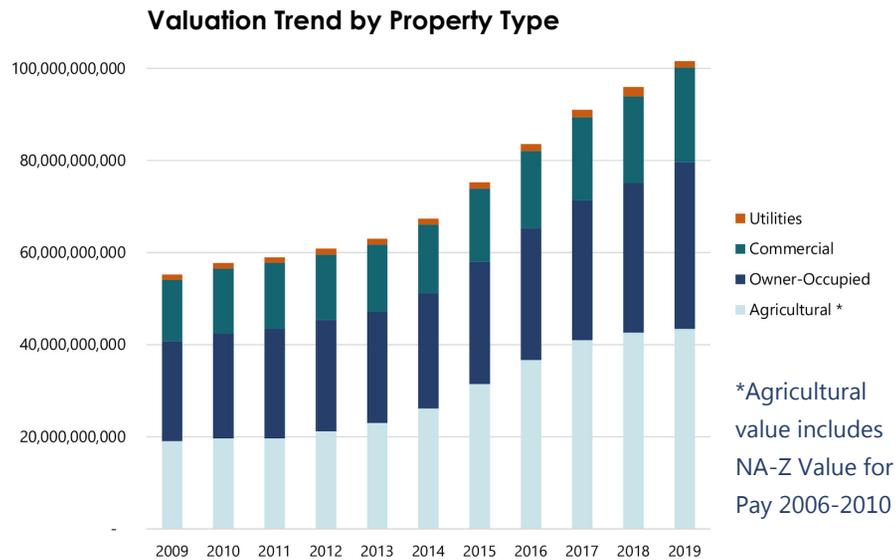


2019



For specific dollar amounts for contributions and distributions, please see Appendix C

# Taxable Valuations by Category: 2009-2019



See Appendix B for taxable valuations by county

## Tax Increment Financing

Tax Increment Financing (TIF) is a tool primarily used to redevelop areas or grow a local economy by offsetting the cost of public infrastructure improvements. TIFs can be useful in attracting private investments and businesses, which can translate into more jobs and a growing tax base. TIFs have four classifications, which are shown below along with the number of active TIFs throughout the state.

For more information on TIFs, including our TIF Annual Report, visit <https://dor.sd.gov/TIFs.aspx>

### Industrial (16 Active)

This classification includes an area where activities are recognized as industrial by zoning authorities.

Included is any factory or business whose primary function is the manufacturing or assembly of goods, the processing of raw materials, and the wholesale of products for resale.

### Economic Development (121 Active)

This includes any area where there is or will be one or more businesses engaged in an activity defined as commercial or industrial by the governing body that has zoning authority over the land contained within a TIF district.

### Local (44 Active)

This is the default classification.

Unless the TIF district meets the definition of an Industrial, Affordable Housing, or Economic TIF District, it is a Local TIF district.

### Affordable Housing (3 Active)

This includes an area where the original selling price of all houses will be below the first-time home buyer purchase price limit as of the date the house is sold; OR  
The monthly rental rate of all multifamily housing units in the district will be at or below the calculated rent for the state's 80% area median income as of the date the district is created, for a minimum of five years following the date of first occupancy.

## Limits on Property Taxes

The South Dakota Legislature has enacted two independent systems that limit the growth of property taxes. The first is the state aid to education payments system. These payments effectively replace property taxes for schools that would otherwise be paid by property owners. The second system is the caps placed on the property taxes collected by all levels of local government. These caps limit the local governments' property tax collections to the amount they collected the previous year, plus small increases for inflation and new construction.

### State Aid to Education Payments

Agricultural and owner-occupied property owners benefit from the funding for education provided by the state. The state provides extra revenue for K-12 education that would otherwise have to be paid by these property owners. The benefit is provided to the taxpayer through a tax rate reduction for the school general fund levy. The school general fund levy rates for taxes payable in 2020 are set statewide as follows:

**Ag \$1.473/\$1,000 of value**  
**Owner-Occupied \$3.296/\$1,000 of value**  
**Other \$6.821/\$1,000 of value**

### Property Tax Caps

State law limits the amount of property taxes that local governments (counties, cities, townships, fire districts, etc.) can collect from their property owners. Market increases in the value of the property within the taxing district automatically decrease the property tax rates upon that property to ensure that the caps are not exceeded. Local governments are limited to the amount of property taxes they collected last year, plus an increase for inflation based upon the consumer price index (but not more than 3%) and for new construction within the taxing jurisdiction.

### Combined Effect of Tax Caps and State Aid Payments

Historically, property taxes had increased at a rate of about 6% per year since 1947. Property tax caps and state aid to education payments have significantly slowed this increase. If the historical rate of property tax growth had continued through the 1990's and 2000's, current property owners would be paying over \$2.1 billion in property taxes per year. Instead, property owners are paying just over \$1.3 billion of property taxes per year. These programs were implemented in 1997.

# Education

The Department of Revenue strives to educate our customers as well as work with our partners to ensure the best service possible for our customers. Our education program is an important aspect in achieving this goal. The department hosted a wide-range of seminars during Fiscal Year 2019, and we will continue to expand our educational lineup in the coming years.

The department offers general seminars, on-site instructional presentations, online tutorials, and webinars.

Want to request a presentation? Visit our website, [dor.sd.gov](http://dor.sd.gov), then click on the Online Services button.

## Our Seminars Cover:

- Sales and Use Tax
- Contractor's Excise Tax
- Bookkeeping
- Property Tax
- Gaming Tax
- Motor Vehicle Excise Tax
- Agriculture Business
- Home/Vacation Rentals
- Alcohol Tax

All of our seminars are free of charge.

## Online Publications

Do you have an industry-specific question?

If so, our Tax Facts library may help! Our Tax Facts include a wide-range of topics, including everything from Advertising to Veterinarians!

Browse our library by visiting our website!

## New Ways to Learn

In Fiscal Year 2019, the Department of Revenue debuted a new way to provide education!

With the implementation of a Learning Management System, we can now provide a greater variety of training to our employees and partners such as county officials.

The Learning Management System currently has more than 500 courses!

## Fiscal Year 2019 By The Numbers

88

Tax Fact Publications

14

Events hosted by outside agencies

73

Total Seminars

1,005

Customers received training during Fiscal Year 2019.

# Lean

Lean is a process improvement approach and a collection of principles and tools used to eliminate wasteful activities that do not add value to anyone.

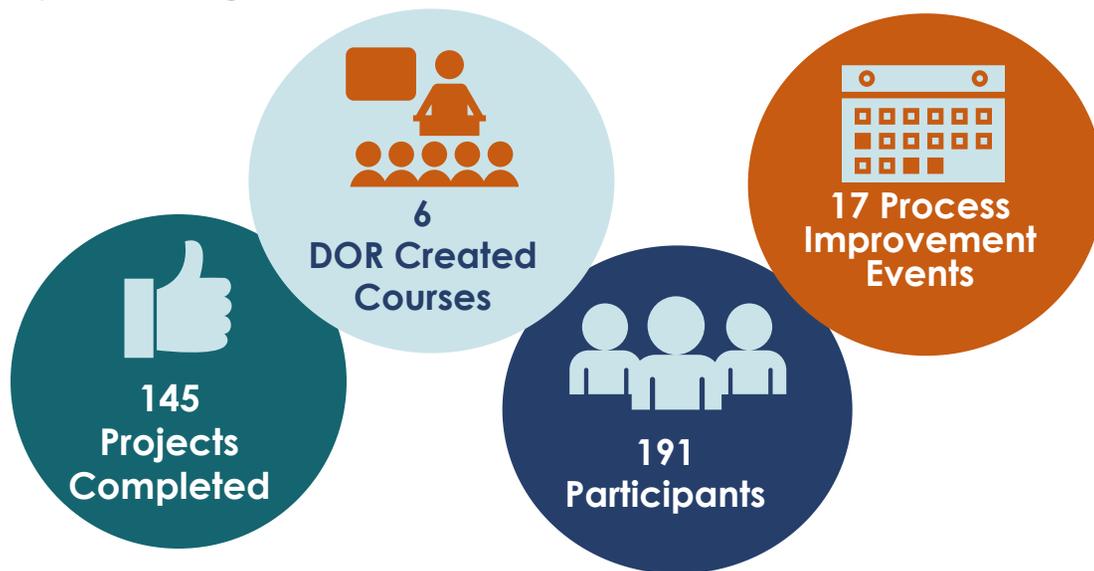
The Department of Revenue carried on this continuous improvement initiative through a variety of Lean trainings and activities.

## Why Lean?

1. It promotes incremental changes over time.
2. It can dramatically improve the performance and effectiveness of processes.
3. It increases transparency to internal and external stakeholders.
4. It actively engages all employees.
5. It helps allocate more staff time to "mission critical" work.
6. It uses metrics and visual controls to provide rapid feedback to improve decision making and problem-solving.

## Most commonly used Lean Tools

- Kaizen (to break to better) Event
- SIPOC Diagram
- Flow Chart / Process Map
- Lean Project Charter
- TIM U WOOD
- 5S
- Poka Yoke
- PICK Chart
- Plan-Do-Check-Act



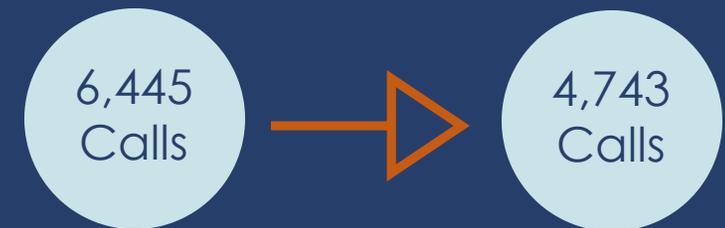
## Lean Success

During Fiscal Year 2019, the Motor Vehicle Division conducted a Lean event in order to improve its title issuance process.

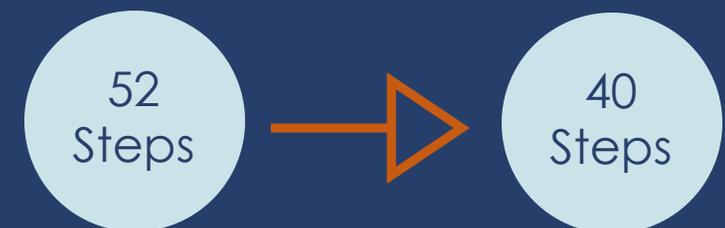
The goal of the event was to streamline title processing in order to decrease the duration of the process. This would not only improve customer service, but also decrease phone calls and mailings to aid staff efficiencies.

The before and after results of the event include:

## Calls Per Month



## Number of Steps in Process



#	City	FY2019 Sales/Use Tax		FY2018	FY2019	% Change
		MGRT Rate	Rate			
1	Aberdeen	1.00%	2.00%	\$18,992,261	\$19,059,323	0.35%
2	Akaska	-	2.00%	\$24,496	\$26,991	10.19%
3	Alcester	-	2.00%	\$214,153	\$270,035	26.09%
4	Alexandria	-	2.00%	\$129,427	\$131,248	1.41%
5	Alpena	-	1.00%	\$148,022	\$165,457	11.78%
6	Andover	-	2.00%	\$7,155	\$7,499	4.80%
7	Arlington	-	2.00%	\$494,794	\$558,110	12.80%
8	Armour	-	2.00%	\$278,111	\$280,898	1.00%
9	Artesian	-	2.00%	\$21,438	\$20,919	-2.42%
10	Ashton	-	2.00%	\$15,642	\$15,226	-2.66%
11	Astoria	-	2.00%	\$20,478	\$21,067	2.87%
12	Aurora	-	1.00%	\$82,431	\$84,857	2.94%
13	Avon	-	2.00%	\$192,106	\$173,400	-9.74%
14	Baltic	1.00%	2.00%	\$160,718	\$173,228	7.78%
15	Belle Fourche	1.00%	2.00%	\$2,735,469	\$2,879,969	5.28%
16	Belvidere	-	2.00%	\$12,961	\$13,622	5.10%
17	Beresford	1.00%	2.00%	\$965,048	\$1,188,129	23.12%
18	Big Stone City	-	2.00%	\$252,994	\$339,696	34.27%
19	Bison	-	2.00%	\$170,160	\$125,594	-26.19%
20	Blunt	1.00%	1.00%	\$45,130	\$50,722	12.39%
21	Bonesteel	-	2.00%	\$84,597	\$79,800	-5.67%
22	Bowdle	-	2.00%	\$145,385	\$218,906	50.57%
23	Box Elder	1.00%	2.00%	\$1,842,211	\$2,139,808	16.15%
24	Bradley	-	2.00%	\$19,479	\$17,009	-12.68%
25	Brandon	1.00%	2.00%	\$3,392,505	\$3,451,410	1.74%
26	Brandt	-	2.00%	\$22,546	\$22,603	0.25%
27	Bridgewater	-	2.00%	\$93,385	\$94,197	0.87%
28	Bristol	-	2.00%	\$72,761	\$61,497	-15.48%
29	Britton	1.00%	2.00%	\$749,346	\$709,422	-5.33%
30	Brookings	1.00%	2.00%	\$14,410,361	\$15,031,930	4.31%
31	Bruce	-	2.00%	\$35,190	\$65,110	85.03%
32	Bryant	-	2.00%	\$173,293	\$190,136	9.72%
33	Buffalo	-	2.00%	\$168,765	\$208,739	23.69%
34	Buffalo Chip	-	2.00%	\$68,785	\$51,244	-25.50%
35	Burke	-	2.00%	\$308,831	\$340,992	10.41%
36	Camp Crook	-	1.00%	\$7,212	\$7,817	8.39%
37	Canistota	1.00%	2.00%	\$188,224	\$191,629	1.81%
38	Canova	-	1.95%	\$27,953	\$27,220	-2.62%
39	Canton	1.00%	2.00%	\$1,165,803	\$1,097,636	-5.85%
40	Carthage	-	2.00%	\$44,637	\$38,695	-13.31%
41	Castlewood	-	2.00%	\$161,623	\$156,994	-2.86%
42	Cavour	-	2.00%	\$28,364	\$32,553	14.77%
43	Centerville	1.00%	2.00%	\$170,815	\$179,095	4.85%
44	Central City	-	2.00%	\$71,049	\$81,379	14.54%
45	Chamberlain	1.00%	2.00%	\$1,511,497	\$1,463,442	-3.18%
46	Chancellor	1.00%	2.00%	\$75,940	\$70,411	-7.28%
47	Clark	-	2.00%	\$448,519	\$501,790	11.88%
48	Clear Lake	1.00%	2.00%	\$562,140	\$568,919	1.21%
49	Colman	-	2.00%	\$229,814	\$194,766	-15.25%
50	Colome	1.00%	2.00%	\$73,094	\$81,086	10.93%

#	City	FY2019 Sales/Use Tax		FY2018	FY2019	% Change
		MGRT Rate	Rate			
51	Colton	1.00%	2.00%	\$145,220	\$161,432	11.16%
52	Columbia	-	2.00%	\$25,342	\$25,891	2.16%
53	Conde	-	2.00%	\$36,996	\$51,283	38.62%
54	Corona	-	2.00%	\$21,658	\$21,520	-0.64%
55	Corsica	1.00%	2.00%	\$309,913	\$322,822	4.17%
56	Crooks	1.00%	2.00%	\$208,687	\$189,894	-9.01%
57	Custer	1.00%	2.00%	\$1,899,045	\$1,889,998	-0.48%
58	Dallas	1.00%	2.00%	\$50,473	\$48,699	-3.51%
59	Dante	-	1.00%	\$5,879	\$7,671	30.48%
60	Davis	-	2.00%	\$16,203	\$13,494	-16.72%
61	De Smet	1.00%	2.00%	\$528,089	\$590,953	11.90%
62	Deadwood	1.00%	2.00%	\$3,716,408	\$3,792,675	2.05%
63	Dell Rapids	1.00%	2.00%	\$1,213,587	\$1,222,886	0.77%
64	Delmont	-	2.00%	\$43,757	\$47,724	9.07%
65	Dimock	-	2.00%	\$32,609	\$64,759	98.59%
66	Doland	-	2.00%	\$74,282	\$56,153	-24.41%
67	Dupree	-	1.00%	\$69,280	\$57,741	-16.65%
68	Eagle Butte	1.00%	2.00%	\$435,711	\$497,624	14.21%
69	Eden	-	1.00%	\$22,114	\$22,705	2.67%
70	Edgemont	1.00%	2.00%	\$317,815	\$269,514	-15.20%
71	Egan	-	2.00%	\$47,333	\$86,397	82.53%
72	Elk Point	1.00%	2.00%	\$559,684	\$604,615	8.03%
73	Elkton	-	2.00%	\$201,816	\$215,420	6.74%
74	Emery	-	2.00%	\$162,387	\$169,174	4.18%
75	Estelline	-	2.00%	\$196,960	\$184,579	-6.29%
76	Ethan	-	2.00%	\$165,060	\$74,588	-54.81%
77	Eureka	-	2.00%	\$321,853	\$362,190	12.53%
78	Fairfax	-	2.00%	\$30,651	\$34,127	11.34%
79	Fairview	-	2.00%	\$7,099	\$7,780	9.60%
80	Faith	1.00%	2.00%	\$256,468	\$264,780	3.24%
81	Faulkton	-	2.00%	\$338,951	\$325,388	-4.00%
82	Flandreau	1.00%	2.00%	\$691,011	\$726,284	5.10%
83	Florence	-	2.00%	\$50,889	\$50,414	-0.93%
84	Fort Pierre	1.00%	2.00%	\$1,262,158	\$1,293,684	2.50%
85	Frankfort	-	2.00%	\$24,706	\$24,478	-0.92%
86	Frederick	-	1.00%	\$23,815	\$25,072	5.28%
87	Freeman	-	2.00%	\$597,400	\$609,328	2.00%
88	Garretson	1.00%	2.00%	\$400,056	\$419,432	4.84%
89	Gary	-	1.00%	\$50,265	\$44,560	-11.35%
90	Gayville	-	2.00%	\$57,413	\$54,094	-5.78%
91	Geddes	-	2.00%	\$64,075	\$62,876	-1.87%
92	Gettysburg	1.00%	2.00%	\$503,456	\$545,152	8.28%
93	Glenham	-	2.00%	\$30,328	\$37,532	23.75%
94	Gregory	1.00%	2.00%	\$653,179	\$707,534	8.32%
95	Grenville	-	2.00%	\$16,345	\$17,886	9.43%
96	Groton	1.00%	2.00%	\$571,877	\$515,752	-9.81%
97	Harrisburg	1.00%	2.00%	\$1,278,770	\$1,444,462	12.96%
98	Harrold	-	2.00%	\$74,031	\$41,773	-43.57%
99	Hartford	1.00%	2.00%	\$886,914	\$974,270	9.85%
100	Hayti	-	2.00%	\$96,902	\$91,975	-5.08%

#	City	FY2019	Sales/Use	FY2018	FY2019	% Change
		MGRGT Rate	Tax Rate			
101	Hazel	-	1.00%	\$16,513	\$15,023	-9.03%
102	Hecla	-	1.00%	\$47,920	\$45,503	-5.04%
103	Henry	-	1.00%	\$29,058	\$30,465	4.84%
104	Hermosa	-	2.00%	\$169,691	\$182,379	7.48%
105	Herreid	-	2.00%	\$202,923	\$253,855	25.10%
106	Highmore	1.00%	2.00%	\$393,305	\$409,448	4.10%
107	Hill City	1.00%	2.00%	\$1,101,304	\$1,113,572	1.11%
108	Hitchcock	-	1.00%	\$20,949	\$20,474	-2.27%
109	Hosmer	-	2.00%	\$58,019	\$61,622	6.21%
110	Hot Springs	1.00%	2.00%	\$1,629,162	\$1,688,943	3.67%
111	Hoven	-	2.00%	\$149,477	\$158,201	5.84%
112	Howard	-	2.00%	\$412,339	\$386,116	-6.36%
113	Hudson	-	2.00%	\$188,229	\$137,240	-27.09%
114	Humboldt	1.00%	2.00%	\$195,544	\$225,930	15.54%
115	Hurley	-	2.00%	\$61,537	\$65,760	6.86%
116	Huron	1.00%	2.00%	\$7,338,533	\$7,353,152	0.20%
117	Interior	-	1.90%	\$39,326	\$49,607	26.14%
118	Ipswich	-	2.00%	\$396,637	\$458,371	15.56%
119	Irene	1.00%	2.00%	\$96,061	\$96,304	0.25%
120	Iroquois	-	1.00%	\$25,210	\$32,761	29.95%
121	Isabel	-	2.00%	\$69,530	\$87,415	25.72%
122	Java	-	2.00%	\$15,835	\$18,066	14.09%
123	Jefferson	-	2.00%	\$143,550	\$144,719	0.81%
124	Kadoka	1.00%	2.00%	\$299,661	\$345,932	15.44%
125	Kennebec	1.00%	2.00%	\$121,929	\$191,429	57.00%
126	Keystone	1.00%	2.00%	\$1,060,418	\$1,087,059	2.51%
127	Kimball	1.00%	2.00%	\$381,629	\$392,913	2.96%
128	Kranzburg	-	2.00%	\$29,200	\$37,793	29.43%
129	La Bolt	-	1.00%	\$13,685	\$8,557	-37.47%
130	Lake Andes	-	2.00%	\$224,894	\$235,210	4.59%
131	Lake City	-	1.00%	\$7,620	\$9,002	18.13%
132	Lake Norden	-	2.00%	\$898,147	\$2,359,927	162.76%
133	Lake Preston	-	2.00%	\$176,359	\$187,097	6.09%
134	Langford	-	2.00%	\$73,788	\$82,531	11.85%
135	Lead	1.00%	2.00%	\$845,004	\$919,862	8.86%
136	Lemmon	1.00%	2.00%	\$640,849	\$700,888	9.37%
137	Lennox	1.00%	2.00%	\$622,949	\$617,326	-0.90%
138	Leola	-	2.00%	\$101,732	\$99,020	-2.67%
139	Lesterville	-	2.00%	\$27,971	\$27,873	-0.35%
140	Letcher	1.00%	2.00%	\$38,173	\$36,192	-5.19%
141	Madison	1.00%	2.00%	\$3,221,371	\$3,514,473	9.10%
142	Marion	-	2.00%	\$284,791	\$258,831	-9.12%
143	Martin	1.00%	2.00%	\$506,536	\$517,744	2.21%
144	McIntosh	-	2.00%	\$37,326	\$47,293	26.70%
145	McLaughlin	-	2.00%	\$114,158	\$243,858	113.62%
146	Mellette	-	2.00%	\$57,135	\$55,357	-3.11%
147	Menno	-	2.00%	\$239,338	\$247,039	3.22%
148	Midland	-	2.00%	\$74,439	\$77,615	4.27%
149	Milbank	1.00%	2.00%	\$2,468,036	\$2,903,281	17.64%
150	Miller	1.00%	2.00%	\$755,986	\$834,099	10.33%

#	City	FY2019	Sales/Use	FY2018	FY2019	% Change
		MGRGT Rate	Tax Rate			
151	Mission	-	2.00%	\$488,193	\$492,491	0.88%
152	Mitchell	1.00%	2.00%	\$12,008,802	\$12,167,024	1.32%
153	Mobridge	1.00%	2.00%	\$1,720,248	\$1,737,277	0.99%
154	Monroe	-	2.00%	\$14,038	\$12,140	-13.52%
155	Montrose	-	2.00%	\$76,130	\$81,581	7.16%
156	Morristown	-	1.50%	\$8,550	\$13,365	56.31%
157	Mound City	-	2.00%	\$18,240	\$19,227	5.41%
158	Mount Vernon	1.00%	2.00%	\$82,651	\$83,949	1.57%
159	Murdo	1.00%	2.00%	\$494,856	\$516,067	4.29%
160	New Effington	-	2.00%	\$44,203	\$74,129	67.70%
161	New Underwood	-	2.00%	\$103,936	\$113,111	8.83%
162	Newell	-	2.00%	\$218,151	\$230,217	5.53%
163	Nisland	-	2.00%	\$20,784	\$20,810	0.13%
164	North Sioux City	1.00%	2.00%	\$3,593,121	\$3,054,139	-15.00%
165	Oacoma	1.00%	2.00%	\$604,237	\$542,126	-10.28%
166	Oldham	-	2.00%	\$17,460	\$34,174	95.72%
167	Olivet	-	1.00%	\$8,461	\$21,369	152.56%
168	Onida	-	2.00%	\$283,647	\$273,526	-3.57%
169	Orient	-	1.00%	\$14,286	\$12,667	-11.33%
170	Parker	-	2.00%	\$343,454	\$383,528	11.67%
171	Parkston	1.00%	2.00%	\$646,010	\$610,000	-5.57%
172	Peever	-	2.00%	\$18,784	\$19,805	5.44%
173	Philip	-	2.00%	\$564,483	\$554,928	-1.69%
174	Pickstown	-	2.00%	\$92,349	\$92,150	-0.21%
175	Piedmont	-	2.00%	\$247,446	\$286,689	15.86%
176	Pierpont	-	2.00%	\$18,583	\$19,622	5.59%
177	Pierre	1.00%	2.00%	\$8,240,550	\$8,321,728	0.99%
178	Plankinton	-	2.00%	\$212,086	\$231,632	9.22%
179	Platte	1.00%	2.00%	\$700,486	\$715,901	2.20%
180	Pollock	-	2.00%	\$135,939	\$165,101	21.45%
181	Presho	-	2.00%	\$169,535	\$170,785	0.74%
182	Pringle	-	2.00%	\$22,740	\$34,101	49.96%
183	Pukwana	-	2.00%	\$45,930	\$42,478	-7.51%
184	Quinn	1.00%	1.00%	\$5,610	\$5,965	6.33%
185	Ramona	-	2.00%	\$28,856	\$29,613	2.62%
186	Rapid City	1.00%	2.00%	\$60,555,817	\$62,738,185	3.60%
187	Redfield	1.00%	2.00%	\$1,007,257	\$1,023,280	1.59%
188	Reliance	1.00%	2.00%	\$60,944	\$55,703	-8.60%
189	Reville	-	1.00%	\$19,632	\$14,614	-25.56%
190	Roscoe	-	2.00%	\$111,061	\$121,438	9.34%
191	Rosholt	-	2.00%	\$79,034	\$146,161	84.93%
192	Roslyn	-	3.00%	\$45,510	\$67,185	47.63%
193	Saint Lawrence	-	2.00%	\$36,697	\$42,972	17.10%
194	Salem	1.00%	2.00%	\$504,922	\$542,870	7.52%
195	Scotland	-	2.00%	\$343,738	\$318,520	-7.34%
196	Selby	-	2.00%	\$238,925	\$241,208	0.96%
197	Sherman	-	1.00%	\$7,069	\$5,541	-21.62%
198	Sioux Falls	1.00%	2.00%	\$132,118,200	\$138,414,201	4.77%
199	Sioux Falls - Lodging	-	1.00%	\$869,229	\$863,248	-0.69%
200	Sisseton	1.00%	2.00%	\$1,168,572	\$1,195,598	2.31%

#	City	Sales/Use		FY2018	FY2019	% Change
		FY2019 MGRT Rate	Tax Rate			
201	South Shore	-	1.00%	\$13,298	\$13,207	-0.69%
202	Spearfish	1.00%	2.00%	\$8,329,241	\$8,819,394	5.88%
203	Spencer	-	2.00%	\$20,072	\$23,489	17.03%
204	Springfield	-	2.00%	\$236,322	\$219,956	-6.93%
205	Stickney	-	2.00%	\$120,767	\$133,233	10.32%
206	Stratford	-	2.00%	\$20,287	\$18,113	-10.72%
207	Sturgis	1.00%	2.00%	\$3,727,055	\$3,838,417	2.99%
208	Summerset	1.00%	2.00%	\$692,803	\$677,312	-2.24%
209	Summit	-	2.00%	\$147,320	\$168,395	14.31%
210	Tabor	-	2.00%	\$107,401	\$108,668	1.18%
211	Tea	1.00%	2.00%	\$1,447,886	\$1,617,221	11.70%
212	Timber Lake	-	2.00%	\$181,836	\$184,308	1.36%
213	Toronto	-	2.00%	\$93,127	\$95,719	2.78%
214	Trent	-	2.00%	\$15,409	\$21,905	42.16%
215	Tripp	-	2.00%	\$148,435	\$150,355	1.29%
216	Tulare	-	1.00%	\$58,010	\$85,249	46.95%
217	Tyndall	-	2.00%	\$335,274	\$345,192	2.96%
218	Utica	-	1.00%	\$3,859	\$6,607	71.21%
219	Valley Springs	-	2.00%	\$106,954	\$136,299	27.44%
220	Veblen	-	2.00%	\$59,303	\$71,654	20.83%
221	Vermillion	1.00%	2.00%	\$3,953,799	\$4,302,361	8.82%
222	Viborg	1.00%	2.00%	\$284,878	\$310,576	9.02%
223	Volga	-	2.00%	\$515,518	\$546,010	5.91%
224	Volin	-	2.00%	\$27,765	\$21,326	-23.19%
225	Wagner	-	2.00%	\$768,129	\$783,024	1.94%
226	Wakonda	-	2.00%	\$83,104	\$78,337	-5.74%
227	Wall	1.00%	2.00%	\$1,288,785	\$1,283,090	-0.44%
228	Wallace	-	1.00%	\$10,202	\$9,647	-5.44%
229	Ward	-	2.00%	\$19,464	\$22,672	16.48%
230	Warner	-	2.00%	\$64,323	\$59,728	-7.14%
231	Wasta	-	1.00%	\$4,275	\$4,894	14.48%
232	Watertown	1.00%	2.00%	\$15,840,486	\$16,531,837	4.36%
233	Waubay	-	2.00%	\$125,015	\$128,936	3.14%
234	Webster	1.00%	2.00%	\$1,229,777	\$1,101,387	-10.44%
235	Wentworth	-	2.00%	\$53,345	\$73,732	38.22%
236	Wessington	-	2.00%	\$71,634	\$78,350	9.38%
237	Wessington Springs	-	2.00%	\$357,861	\$370,379	3.50%
238	Westport	-	2.00%	\$17,908	\$23,821	33.02%
239	White	-	2.00%	\$76,703	\$90,252	17.66%
240	White Lake	1.00%	2.00%	\$127,350	\$134,814	5.86%
241	White River	-	2.00%	\$145,674	\$141,954	-2.55%
242	Whitewood	1.00%	2.00%	\$313,077	\$305,567	-2.40%
243	Willow Lake	-	2.00%	\$84,105	\$84,263	0.19%
244	Wilmot	-	2.00%	\$132,087	\$145,593	10.23%
245	Winner	1.00%	2.00%	\$1,715,692	\$1,776,321	3.53%
246	Witten	-	2.00%	\$7,451	\$7,576	1.68%
247	Wolsey	-	2.00%	\$118,086	\$140,742	19.19%
248	Wood	-	2.00%	\$15,212	\$10,926	-28.17%
249	Woonsocket	-	2.00%	\$206,551	\$222,039	7.50%
250	Worthing	1.00%	2.00%	\$118,605	\$133,873	12.87%
251	Yale	-	1.00%	\$11,837	\$12,719	7.45%
252	Yankton	1.00%	2.00%	\$9,924,350	\$10,277,764	3.56%

## Statewide Totals

During Fiscal Year 2019, \$394,329,730 in municipal taxes were collected throughout the state. This is a 4.24% increase from Fiscal Year 2018's total of \$378,292,963.



Our TaxMatch system allows you to instantly find tax rates for any South Dakota community.

Simply type in any South Dakota address to find your rates.

You may also upload an Excel spreadsheet to find rates for separate transactions in multiple municipalities.

To get started, visit the department website and click on the TaxMatch logo under e-services.

## Taxable Valuations by County

The following chart indicates the amount of taxable value in each of South Dakota's 66 counties, broken out by the class of property. The "Other" category includes residential property not occupied by the owner, commercial property, and utility property.

County	Ag Real Valuation	Owner-Occupied Valuation	Other Valuation	Total Valuation
Aurora	\$707,028,837	\$61,033,347	\$37,593,266	\$805,655,450
Beadle	\$1,463,582,243	\$589,623,757	\$335,583,657	\$2,388,789,657
Bennett	\$181,715,323	\$29,139,097	\$16,544,138	\$227,398,558
Bon Homme	\$696,695,621	\$147,285,505	\$63,021,249	\$907,002,375
Brookings	\$1,016,309,410	\$1,280,863,590	\$824,561,970	\$3,121,734,970
Brown	\$1,781,185,818	\$1,550,759,469	\$828,536,648	\$4,160,481,935
Brule	\$761,907,850	\$164,524,897	\$131,038,783	\$1,057,471,530
Buffalo	\$185,975,691	\$2,562,608	\$1,806,299	\$190,344,598
Butte	\$307,923,282	\$367,686,874	\$197,741,735	\$873,351,891
Campbell	\$619,541,935	\$39,638,648	\$30,678,998	\$689,859,581
Charles Mix	\$1,021,235,260	\$207,067,631	\$158,061,606	\$1,386,364,497
Clark	\$1,037,208,173	\$89,075,975	\$46,255,896	\$1,172,540,044
Clay	\$593,757,456	\$368,248,235	\$225,806,019	\$1,187,811,710
Codington	\$679,460,117	\$1,311,298,116	\$791,032,664	\$2,781,790,897
Corson	\$497,013,918	\$15,195,187	\$20,045,017	\$532,254,122
Custer	\$148,596,938	\$623,120,275	\$375,047,521	\$1,146,764,734
Davison	\$497,210,350	\$758,988,275	\$540,489,218	\$1,796,687,843
Day	\$937,846,840	\$198,367,214	\$170,286,689	\$1,306,500,743
Deuel	\$676,850,275	\$149,612,087	\$79,667,169	\$906,129,531
Dewey	\$310,014,761	\$21,600,623	\$24,628,576	\$356,243,960
Douglas	\$512,422,360	\$68,223,890	\$32,193,295	\$612,839,545
Edmunds	\$1,082,273,713	\$131,228,998	\$108,147,391	\$1,321,650,102
Fall River	\$142,763,610	\$278,862,350	\$174,055,640	\$595,681,600
Faulk	\$999,707,932	\$36,911,793	\$20,372,561	\$1,056,992,286
Grant	\$672,618,597	\$221,500,348	\$123,676,896	\$1,017,795,841
Gregory	\$481,783,621	\$102,712,688	\$64,353,199	\$648,849,508
Haakon	\$488,400,592	\$42,753,478	\$42,908,767	\$574,062,837
Hamlin	\$722,859,047	\$268,448,618	\$193,555,697	\$1,184,863,362
Hand	\$1,381,723,111	\$89,667,806	\$56,213,681	\$1,527,604,598
Hanson	\$517,451,891	\$123,338,428	\$38,044,481	\$678,834,800
Harding	\$288,540,428	\$30,554,002	\$52,287,990	\$371,382,420
Hughes	\$463,877,171	\$821,830,444	\$442,349,070	\$1,728,056,685
Hutchinson	\$1,099,925,219	\$189,607,014	\$81,967,937	\$1,371,500,170

County	Ag Real Valuation	Occupied Valuation	Other Valuation	Total Valuation
Hyde	\$623,954,752	\$29,823,706	\$28,549,219	\$682,327,677
Jackson	\$281,635,708	\$25,642,466	\$22,668,634	\$329,946,808
Jerauld	\$488,651,652	\$45,011,155	\$39,279,843	\$572,942,650
Jones	\$297,578,253	\$17,871,197	\$19,588,741	\$335,038,191
Kingsbury	\$1,092,948,220	\$170,697,671	\$96,468,479	\$1,360,114,370
Lake	\$794,360,545	\$507,878,108	\$298,899,915	\$1,601,138,568
Lawrence	\$63,551,824	\$1,436,810,936	\$1,284,458,615	\$2,784,821,375
Lincoln	\$773,530,178	\$4,152,574,698	\$1,679,549,274	\$6,605,654,150
Lyman	\$645,108,326	\$64,996,542	\$82,773,022	\$792,877,890
Marshall	\$797,248,394	\$170,759,373	\$103,688,010	\$1,071,695,777
Mc Cook	\$788,936,805	\$201,328,106	\$62,353,712	\$1,052,618,623
Mc Pherson	\$680,646,390	\$52,781,138	\$19,530,979	\$752,958,507
Meade	\$631,213,039	\$1,352,014,789	\$498,689,046	\$2,481,916,874
Mellette	\$218,956,487	\$18,033,785	\$11,704,616	\$248,694,888
Miner	\$659,228,529	\$40,023,218	\$22,307,258	\$721,559,005
Minnehaha	\$917,963,157	\$9,103,184,887	\$5,791,831,787	\$15,812,979,831
Moody	\$813,758,825	\$208,969,190	\$57,596,225	\$1,080,324,240
Oglala Lakota	\$45,203,580	\$3,596,880	\$7,402,770	\$56,203,230
Pennington	\$380,835,360	\$5,301,863,244	\$3,892,888,124	\$9,575,586,728
Perkins	\$655,020,688	\$64,829,583	\$50,154,420	\$770,004,691
Potter	\$772,399,538	\$76,906,881	\$66,566,543	\$915,872,962
Roberts	\$824,612,658	\$197,183,439	\$132,404,313	\$1,154,200,410
Sanborn	\$543,814,189	\$60,289,571	\$25,771,225	\$629,874,985
Spink	\$1,785,915,806	\$154,776,429	\$103,048,047	\$2,043,740,282
Stanley	\$305,612,823	\$177,554,605	\$106,226,465	\$589,393,893
Sully	\$906,325,341	\$62,410,642	\$102,397,755	\$1,071,133,738
Todd	\$169,342,205	\$15,752,590	\$13,367,985	\$198,462,780
Tripp	\$838,585,959	\$121,240,198	\$78,226,069	\$1,038,052,226
Turner	\$871,259,675	\$393,045,515	\$159,386,340	\$1,423,691,530
Union	\$676,124,600	\$1,036,572,822	\$422,689,638	\$2,135,387,060
Walworth	\$584,922,943	\$157,333,688	\$102,927,499	\$845,184,130
Yankton	\$658,325,145	\$944,472,128	\$483,083,927	\$2,085,881,200
Ziebach	\$306,139,472	\$3,761,452	\$8,156,964	\$318,057,888

Figures listed are for 2019 valuations that are payable in 2020.

## Property Tax - Who Paid

Year Taxes Payable	Agricultural *	% Of Total	Owner-occupied	% Of Total	Commercial	% Of Total	Utilities	% Of Total	Special Assessments	% Of Total	TOTAL
2010	239,627,362	24.50	388,867,662	39.76	307,499,562	31.44	23,463,130	2.40	18,467,990	1.89	977,925,706
2011	240,496,832	23.97	403,337,138	40.21	312,194,141	31.12	22,646,984	2.26	24,485,447	2.44	1,003,160,542
2012	252,715,223	24.50	414,066,249	40.14	321,656,276	31.18	24,275,738	2.35	18,819,754	1.82	1,031,533,239
2013	269,377,688	25.14	424,725,465	39.64	331,147,206	30.91	26,337,906	2.46	19,768,706	1.85	1,071,356,971
2014	286,177,332	25.45	444,727,084	39.55	346,978,590	30.86	27,320,189	2.43	19,323,088	1.72	1,124,526,283
2015	313,174,676	26.32	462,029,557	38.83	363,467,432	30.54	28,251,171	2.37	23,070,108	1.94	1,189,992,944
2016	345,426,962	27.60	481,760,248	38.49	371,483,979	29.68	28,562,138	2.28	24,383,785	1.95	1,251,617,112
2017	354,621,162	28.12	482,519,548	38.26	376,062,906	29.82	28,312,412	2.25	19,486,950	1.55	1,261,002,979
2018	361,302,073	27.83	502,290,098	38.70	376,483,975	29.00	33,553,019	2.58	24,416,213	1.88	1,298,045,378
2019	371,142,707	26.93	538,037,388	39.05	404,346,700	29.34	36,362,901	2.64	28,040,960	2.04	1,377,930,656

\*Agricultural property taxes include NA-Z taxes for Pay 2006 to 2010.

## Property Tax - Where The Money Went

For Taxes Payable In	County	% Of Total	Municipalities	% Of Total	Schools	% Of Total	Townships	% Of Total	Special Assessments	% Of Total	TOTAL
2010	267,475,363	27.35	131,066,116	13.40	546,181,894	55.85	14,734,342	1.51	18,467,990	1.89	977,925,706
2011	268,440,562	26.76	133,749,586	13.33	560,022,922	55.83	16,462,026	1.64	24,485,447	2.44	1,003,160,542
2012	281,180,299	27.26	139,272,206	13.50	574,213,937	55.67	18,047,044	1.75	18,819,754	1.82	1,031,533,239
2013	296,987,309	27.72	145,762,092	13.61	589,839,803	55.06	18,999,061	1.77	19,768,706	1.85	1,071,356,971
2014	301,699,432	26.83	149,893,710	13.33	635,031,575	56.47	18,578,477	1.65	19,323,088	1.72	1,124,526,282
2015	315,353,572	26.50	157,338,152	13.22	674,236,597	56.66	19,994,514	1.68	23,070,108	1.94	1,189,992,943
2016	326,486,739	26.09	163,730,819	13.08	717,034,283	57.29	19,981,486	1.60	24,383,785	1.95	1,251,617,112
2017	338,664,320	26.86	168,417,888	13.36	712,929,007	56.54	21,504,813	1.71	19,486,950	1.55	1,261,002,979
2018	352,693,815	27.17	174,638,209	13.45	724,180,251	55.79	22,116,892	1.70	24,416,213	1.88	1,298,045,380
2019	366,944,994	26.63	184,782,655	13.41	775,920,231	56.31	22,241,816	1.61	28,040,960	2.04	1,377,930,656

# Contact Us



## Toll-Free Phone Center

Our staff are on hand to offer assistance Monday through Friday from 8 a.m. to 5 p.m. central time.



Just call 1-800-829-9188 to speak to a tax expert.

## Department Website



Visit [dor.sd.gov](http://dor.sd.gov) to access information from all of our divisions, as well as our e-services.

Our website also includes a new live chat feature!

## Main Offices

DOR - Pierre Office - Anderson Building, 445 East Capitol Avenue, 605-773-3311

S.D. Lottery - Dolly Reed Building, 711 East Wells Avenue, 605-773-5770

S.D. Commission on Gaming - Anderson Building, 445 East Capitol Avenue, 605-773-6050

## Field Offices

Aberdeen Revenue Office - 14 South Main, Suite 1-C, 605-626-2218

Deadwood Gaming Office - 87 Sherman Street, 605-578-3074

Mitchell Revenue Office - 417 North Main, Suite 112, 605-995-8080

Rapid City Revenue Office - 1520 Haines Avenue, Suite 3, 605-394-2332

Rapid City Lottery Office - 1000 Cambell Street, Suite 2, 605-394-5106

Sioux Falls Revenue Office - 300 South Sycamore Avenue, Suite 102, 605-367-5800

Sioux Falls Lottery Office - 3605 South Western Avenue, Suite B, 605-367-5840

Watertown Revenue Office - 715 South Maple, 605-882-5188

Yankton Revenue Office - 1900 Summit Street, 605-668-2939

## Find Us On Social Media

Visit our Facebook, Twitter, and Youtube pages for breaking news, tutorials, and more!





Lori Haupt



Betty Morford

South Dakota Department of Revenue  
445 East Capitol Avenue Pierre, SD 57501  
605-773-3311  
<http://dor.sd.gov>



Ryan Conway-Hay