

Fall 2021

**SOUTH DAKOTA  
DEPARTMENT OF REVENUE**



**Message From Secretary Jim Terwilliger**

Greetings from the South Dakota Department of Revenue! We have enjoyed the warm weather this fall as many are preparing for the holiday season.

One item to prepare for before Jan 1, 2022, are the municipal tax changes taking effect in a couple of South Dakota communities. Find out where on Page 2.

We wanted to highlight the property tax relief programs that offer financial assistance to the elderly and disabled. These are valuable programs and we encourage anyone who qualifies to take advantage of them. Our staff, along with your county officials, are always available to answer questions on these programs. Find out more about these programs on Page 4.

South Dakota Lottery saw two long-time friends become millionaires when they won the Powerball drawing in August. Read more about their winning story on Page 5.

Sports enthusiasts have been making their way to Deadwood since sports betting began in early September. Discover more on that and how you can stuff your stockings this holiday season on Page 6.

Businesses interested in shipping cigars to consumers in South Dakota may start applying for licenses in January 2022. Turn to page 6 for more on this.

The Motor Vehicle Division lost two valued employees recently, please keep both their families in your thoughts and prayers. DOR remembers those employees and their service on Page 3.

Also within the pages of this newsletter are extras on due dates, deadlines and more! As we start the renewal process in January, be sure to check out page 8 for ways to renew your motor vehicle registrations.

I hope it goes without saying, but I am going to say it anyway, you are always able to contact our dedicated staff for any questions or assistance you may need. We hope you enjoy this edition of our fall newsletter.



## Search Your Local Tax Rate



Find your local tax rate with our easy to use [search tool](#)!



### Municipal tax changes take effect in two SD communities

Two South Dakota communities made updates to their current municipal tax rate beginning January 1.

The municipal tax changes which took effect include:

- Lane imposed a 2 percent general sales and use tax rate.
- Henry increased its 1 percent general sales and use tax rate to 2 percent.

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

The South Dakota Department of Revenue has municipal tax information bulletins available which list all municipal sales and use tax rates statewide, along with information on tribal sales, use and excise taxes.

To obtain a Municipal Tax Information bulletin, [download it on the Department of Revenue website](#) or contact the Department of Revenue at 1-800-829-9188.

### Are you the holder of an alcoholic beverage license that is due for renewal in December?

This is a reminder that, according to state law (SDCL 35-2-24), an alcoholic beverage license cannot be renewed unless you are current on all sales and use taxes, unemployment insurance tax, and any other state taxes. Inevitably during the renewal cycle there are alcoholic beverage license renewals that are delayed or denied each year due to state tax delinquencies.

Don't risk losing your alcoholic beverage license... contact our office immediately to resolve your sales and use tax delinquency.

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## CONTACT US

### SD Department of Revenue

445 E Capitol Avenue, Pierre, SD 57501

**Website:** <https://dor.sd.gov>

**Phone:** 605-773-3311

**Taxpayer Assistance Center:** 1-800-829-9188

**Motor Vehicles:** 605-773-3541

**SD Lottery:** 605-773-5770

**Gaming Commission:** 605-773-6050

# DOR REMEMBERS

39  
years of  
service

Douglas Wuest

7  
years of  
service

Marilyn Salter

Please keep  
their families in  
your thoughts

Our deepest condolences

## New email address for Bank Franchise Tax

The email address is: [bankfranchise@state.sd.us](mailto:bankfranchise@state.sd.us)

Please use this email address to:

- Submit a Bank Franchise Tax Return Extension Request,
- Ask a question about the Bank Franchise Tax,
- Update your Bank Franchise Tax license information.

If you need immediate assistance, please call us at 1-800-829-9188.

## U.S. Census Data Helps Determination of On-Sale Liquor Licenses in the State

Many things across the state are impacted by U.S. Census data we receive from the federal government. Most noticeably is how federal funding is allocated to hospitals, fire departments, schools, roads and other resources based on census data.

In South Dakota, the allocation of liquor license are also effected by census data. Statute requires using decennial year population information for determining how many licenses each city receives.

With population changes across the state, many cities saw increases or no changes in the amount of licenses allocated to their jurisdiction.

## Due Dates

Tax Return	Due Date
December	12/20/2021
January	1/20/2022
February	2/21/2022

## Motor Vehicle Registration Dates

Vehicle registration renewal due dates are based on the first letter of your last name which then correlates to a particular month.

**January** – A/B

**February**— C/D/E

*\*April, October, and December are non-renewal months*

## Let's Get Social!

Here at the Department of Revenue, we provide a wide variety of resources specific to your needs. See all of our tax facts by accessing the page [here](#).



Follow us on social media @SDRevenue

## Property Tax Relief Programs Available

Did you know there are several relief programs in South Dakota that offer financial assistance to the elderly and disabled?

### Homestead Exemption

These programs delay the payment of property taxes for individuals over the age of 70. The delinquent taxes become a lien on the property and must be paid along with the interest before the property can be transferred or sold. One program is available to those with a homesteads valued at less than \$170,000. A second offers a lower interest rate program, with income limits. Learn more about the eligibility requirements in our [Homestead Exemption Program Brochure \(PDF\)](#).

### Disabled Veteran Exemption

This program exempts up to \$150,000 of the assessed value for a property owned and occupied by a disabled veteran or un-remarried surviving spouse. The veteran must be rated and permanently and totally disabled as a result of a service-connected disability. Learn more about this program and application requirements in our [Disabled Veteran Property Tax Exemption Brochure \(PDF\)](#).

### Property Tax Exemption for Paraplegic Veterans

This program exempts a property owned and occupied by a paraplegic veteran from all property taxes. Once approved, the exemption remains until the property is transferred or sold. Learn more about the program and

application process in our [Property Tax Exemption for Paraplegic Veterans Brochure \(PDF\)](#).

### Property Tax Reduction for Paraplegics

This program reduces property taxes on a graduated scale based on income for property owned and occupied by a paraplegic individual with the loss of both lower extremities. An annual application is required. Property is defined as the house, a garage and the lot upon which it sits or one acre, whichever is less. Learn more about the program and the income limits in our [Property Tax Reduction for Paraplegics Brochure \(PDF\)](#).

### Assessment Freeze for Disabled and Senior Citizens

This program prevents the assessed value of the homeowner's property from increasing in value, for tax purposes. Eligibility requirements include age or disability status, ownership, residency, income, and valuation limits. Property is defined as the house, a garage and the lot upon which it sits or one acre, whichever is less. Learn more in our [Freeze on Assessments: Dwellings of Disabled and Senior Citizens Brochure \(PDF\)](#).



# Be on the lookout

## NEW TRAININGS COMING IN 2022

- Boarder Tax Seminars with MN and ND

- Contractors Excise Tax

- February 3
- March 31
- June 9
- September 15
- December 8

- Sales Tax

- February 1
- March 29
- June 7
- September 13
- October 13
- December 6



Stay engaged and learn



If you or your business would like to request a specific training email [dor-education@state.sd.us](mailto:dor-education@state.sd.us)

# SOUTH DAKOTA



## Yankton Residents Win \$2 Million Powerball Prize

A pact that spanned multiple decades proved fruitful for the South Dakota Lottery newest million-dollar prize winners.

Emil Goodteacher and Donna Knodel became the South Dakota Lottery's latest big winners by claiming a \$2 million prize from the Aug. 28 Powerball drawing. The friends won the game's second prize, which also doubled due to the Powerplay feature.

For Goodteacher and Knodel, the big prize was the culmination of a routine the two friends had to purchase tickets and split any prizes. The two have purchased tickets since the late 80s, and their biggest win prior to the Aug. 28 drawing was \$400.

"We've been friends for a long time," Knodel said. "We both kind of have a pact. If anyone wins, especially if it's a big one, we split it."

Knodel and Goodteacher's win marks the first Powerball million-dollar prize sold in South Dakota since June 5, 2013. While the drawing generated some buzz throughout the state, they didn't immediately realize the \$2 million prize was theirs.

"We found out about a week later when we checked the tickets," Goodteacher said. "The machine said we needed to take it to the front desk, and it turned out that we needed to complete a form and take it to Sioux Falls. I looked up my numbers and thought it might not be a big one because we didn't match the Powerball."

Knodel had heard rumblings of the \$2 million ticket being sold at the Hy-Vee, and at that moment, she began to realize that they may have a life-changing prize.

Knodel noted that she and Goodteacher quickly put the ticket in a safe space then took their time in determining their next steps.

"I called my tax man and visited with him, Knodel said. "He gave me some advice before we jumped into anything. I read some things on the internet, and we decided to take our time. It's a lot of money, but it can also go fast if we aren't careful."

With the prize claimed, Goodteacher and Knodel have some big plans ahead. Each noted that they will buy a new vehicle and share the wealth with their families.

"I'm 69-years-old and I've never owned a house," Goodteacher said. "I want to buy a house. I've also always drove used vehicles, so I want to buy a new vehicle. I also have children and grandchildren who I want to share it with."

"I don't know what I'll do. I'm going to be careful with it," Knodel said. "I need to buy a car and my house needs to be fixed up. I might start with that. I also have children who I'll help bail out of some school loans."

While Knodel and Goodteacher have now experienced a life-changing prize, they're still chasing their jackpot dreams. The friends noted that they will continue to play.

"We bought some tickets today," Goodteacher said. "You can't win if you don't play."

The winning ticket was purchased at Hy-Vee Food Store, located on 2100 Broadway Ave. in Yankton. The retail location will receive a \$25,000 retailer incentive for selling the winning ticket.

For more information on Powerball, visit <https://lottery.sd.gov/games/lottogames/powerball/>.



## Stuff those stockings full

South Dakotans can give the gift of Good Fun this holiday season through the South Dakota Lottery's scratch tickets!

The South Dakota Lottery launched new \$1, \$2, \$3 and \$5 scratch tickets for the holiday season. These tickets provide affordable gifts for every adult on your list! They include:

**Snow Days:** This \$1 ticket gives you a chance to win \$1,000, and with no wrapping required, you'll have more time to enjoy the snow.

**Secret Santa:** The \$2 Secret Santa is the perfect gift to give and get. With two bonus spots, players can win up to \$2,000.

**Holiday Multiplier:** This \$3 ticket can brighten your spirits with a chance to win multiple prizes, including \$500.

**Merry Money:** This \$5 ticket could fill your stocking with the chance to win 16 times on a single ticket. This includes a top prize of \$5,000.

Your chances to win don't end there. You can enter all of your non-winning tickets into the Holiday Hangover second chance drawing. The January 21 second chance drawing has a grand prize of \$1,000 in cash! Prizes also include \$500 in cash, \$250 in cash, or \$50 in scratch tickets.

While scratch tickets make great gifts for adults, please remember to gift responsibly. The Lottery is once again partnering with the National Council of Problem Gambling to remind players that scratch tickets aren't suitable gifts for minors. Scratch tickets are often a possible gateway to other gambling activities, so please remember to keep the fun good this holiday season.

To learn more, visit [jollygoodfunsd.com](http://jollygoodfunsd.com).



## Have cigars shipped to you beginning in 2022

During the 2021 legislative session, [HB 1098](#), which authorized the shipment of cigars to consumers in South Dakota, was passed and signed into law. The bill had a delayed implementation date and becomes effective January 1, 2022.

Businesses interested in shipping cigars to consumers in SD must first obtain a sales tax license and a cigar shipper license. Both licenses may be applied for via the Department's [online tax license application](#). There is no fee for a sales tax license but there is a \$100 annual license fee for the cigar shipper license. The licenses may be applied for now, but shipment of cigars to consumers in SD is not allowed until January 1, 2022.

Other items of interest regarding the cigar shipper license include:

- The license only allows cigars to be shipped to SD consumers. All other tobacco products are still prohibited from being shipped directly to consumers in SD.
- Cigars may only be sold and delivered to consumers who are 21 years of age or older.
- Packaging must be conspicuously labeled indicating that the package contains cigars.
- Licensees are required to remit the applicable sales tax and tobacco excise tax electronically on a quarterly basis.
- Cigars shipped to consumers in SD may only be used for personal use and not resold.

You may view all of the laws and requirements regarding cigar shipper licenses on the LRC website under [SDCL ch. 10-50C](#). Feel free to contact our office at 1-800-829-9188 or [SpecialT@state.sd.us](mailto:SpecialT@state.sd.us) if you have any questions.

## Sports Wagering Begins in Deadwood

South Dakota sport enthusiasts were able to begin sports wagering in Deadwood starting September 9, 2021. During the month of September, casinos reported \$71,319 in taxable revenue and handle (amount wagered) of \$443,365.

There are four locations in Deadwood that are accepting wagers on sports. Individuals may stop into Cadillac Jack's, Tin Lizzie, Gold Dust, Mustang Sally's, and the Deadwood Mountain Grant to place a sports wager using a kiosk or a live window (Gold Dust does not have a live window).

# STAY UP TO DATE WITH DOR



Check out the latest annual report publications



## Department of Revenue Annual Report

Every year, the Department of Revenue collects information from each of our six divisions and beyond to accurately and openly display how the fiscal year turned out.

This report touches on topics anywhere from remote sellers in the marketplace, how South Dakota tax compares to other states, year over year revenue numbers, educational opportunities, both for public and employee use, and much more!

[See our Department of Revenue Annual Report and past reports here.](#)

## South Dakota Lottery Annual Report

The South Dakota Lottery enjoyed an excellent Fiscal Year 2021. Get the scoop on this past year, retailer spotlight, financial statements and much more by reading the [Lottery's annual report](#).

## Commission on Gaming Annual Report

The Commission on Gaming 2021 Annual Report is filled with all you need to know from gaming revenues and activities related to casino gaming in Deadwood and pari-mutuel activity within South Dakota. Stay caught up by [clicking here to see the full report](#).



## Tax Increment Financing Annual Report

2021 marks the fourth year of constructing the Tax Increment Financing (TIF) Report here at Department of Revenue.

TIF is a means of financing public improvements in a defined geographic area, known as a tax increment financing district, or TIF district. In South Dakota, a TIF district can be created by either a municipality or county.

Details on classifications of TIFs, year over year data, and a list of active TIF districts by city and counties, [visit the 2021 TIF Annual Report here.](#)





## DMV Now

### License Renewal Kiosks

#### What you need:

1

A valid SD driver's license or ID card.



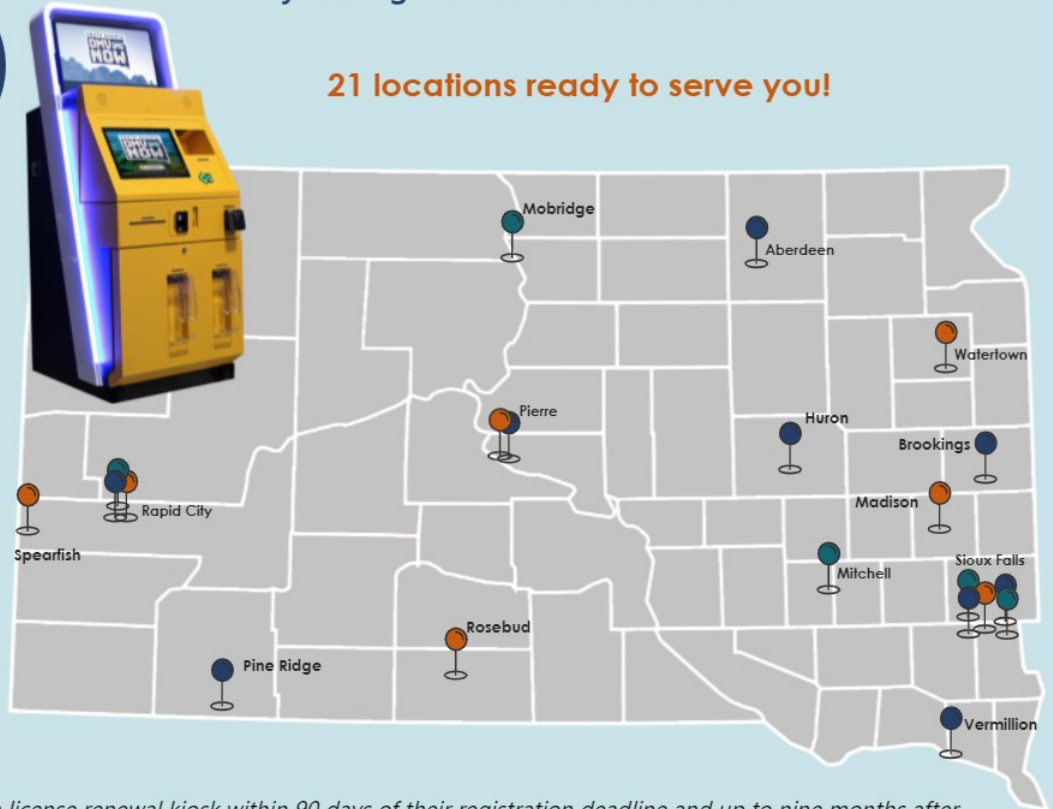
2

A check or credit/debit card.  
(Visa, Discover and Mastercard are all accepted)



You can renew your vehicle registrations in less than five minutes by visiting a license renewal kiosk!

21 locations ready to serve you!



Vehicle owners may renew at a license renewal kiosk within 90 days of their registration deadline and up to nine months after.

### There are 21 kiosk locations!

Locate your nearest kiosk at <https://sddmwnowkiosk.com/>

You just need your South Dakota Driver's License or ID Card, along with a payment method (credit or debit card).

A company will need their Identification Number (FEIN or SSN) along with the Password/Access number from the renewal notice.

It's as easy as 1, 2, 3!

### The kiosk CAN:

- Renew an existing vehicle registration
- Update your address
- Print the updated registration card and license plate decals
- Renew your driver's license

### The kiosk CAN'T:

- Accept cash or checks

### How much does it cost?

- The renewal fee, plus any applicable late fees
- 2.25% processing fee when paying by credit or debit card



#### 1. SCAN

South Dakota Driver's License or ID



#### 2. PAY

Credit and Debit Cards accepted



#### 3. PRINT

Vehicle registration card & license plate decal