



Fiscal Year 2020 Annual Report



Our staff's talents extend well beyond our offices! Front and back cover photos were provided by staff Betty Morford, Bobi Adams, Jamie McClung, and Mekell Rockwell.

The FY2020 South Dakota Department of Revenue Annual Report is available in the “publications” section on the department’s website at 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 2020 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 \$5.63 per document.

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A Message From Secretary Terwilliger



“As Fiscal Year 2020 wrapped up, I can't thank our dedicated staff and partners enough as we transitioned our standard routine processes to electronic availability, in order to best serve the citizens of South Dakota.”

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

As Fiscal Year 2020 wrapped up, I can't thank our dedicated staff and partners enough as we transitioned our standard routine processes to electronic availability, in order to best serve the citizens of South Dakota.

Our team worked diligently through the uncertain times of the pandemic. We have expanded our use of technology in order to improve our work from home capabilities without compromising the efficiency and hard work that we provide South Dakotans. We continue to incorporate new strategies to work with our customers and partners, with responsive resources that will quickly get them the information they need.

In regard to technology updates, the Department of Revenue (DOR) launched new online resources, including the ability to make payments online with our automated form submissions. Our goal in transitioning forms to online submissions is to decrease wait times, provide updates to individuals throughout their form's completion process, and improve efficiency. The Business Tax Division launched virtual online office visits in April 2020 and the Motor Vehicle Division continues to make use of their online registration renewal tools and DMV Now Kiosks located around the state. These resources have been a great success and we continue to see progress in increasing our electronic footprint.

DOR was highly involved in this year's legislative session. Many bills ran through our hands, including the Ag Land Adjustment Bill. The Motor Vehicle Division saw several revisions to previous laws and added a new state seal specialty plate emblem. 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. These changes continue to show their impacts on our economy by providing a level playing field for main street businesses throughout the nation.

As we look forward to another successful year, I hope you enjoy our Fiscal Year 2020 Annual Report!

Check Out Our eForms!

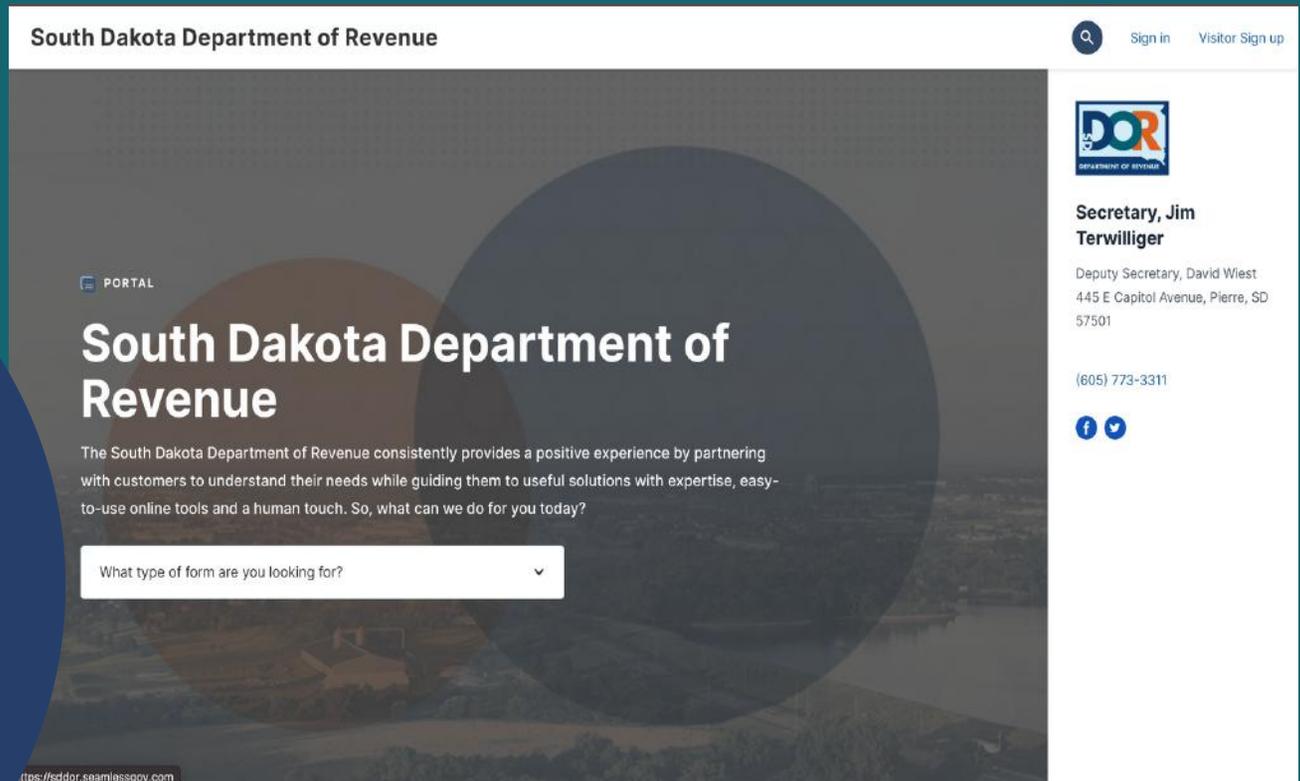
Updates Made:

- **Robust Search Function** - Type in keywords and we'll provide the content you need in real time.
- **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.
- **Computerized Payments** - We now accept payments on a select number of eForms.

In order to meet the needs of our customers, the Department of Revenue has created and updated eForms!

During the last year, our team made it a priority to create and update all of our eForms. These provide efficient and quick responses from our customers and staff. We have 124 active forms and several thousand submissions to date!

To find all our forms, visit our website: <https://sddor.seamlessgov.com/>



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
 - Investigate 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.

Property Tax
Lesley Coyle



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, alternative tax for commercial wind farms, and rural electric tax

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



Business Tax
Doug Schinkel

We provide support to the tribal tax collection agreements.

Lottery
Norm Lingle



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

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



Motor Vehicles
Rosa Yaeger

Strategic Plan

The Department's strategic plan continues to make headway through Fiscal Year 2020. We strive to make every moment count as individuals in the workspace and in the community. This year's goals focus on employee development and streamlining workplace procedures to better serve our customers.

Mission: To partner with our stakeholders to provide customer-oriented, fair, and reliable revenue administration.

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.

Developing and Strengthening the Department's Relationships

Increase the Department's presence through media outreach.

- Utilize social media outlets to spread our service awareness where customers spend their time
- Expand online resources for individuals' convenience

Measurement: Add the option to schedule a virtual office visit for Business Tax
Provide educational seminars online
Increase the usage of Live Chat box
Increase the number of vehicle registration renewals online and at our DMV Now Kiosks



Engaging and Developing Our Team

Expand employee training opportunities

- Promote employee trainings, engage in team building, and improve work efficiency
- RecognizeDOR to encourage peer to peer recognition
- Participate in volunteer work to allow employees to give back to their communities

Measurement: Expand opportunities for team building
Increase number of specialized training options using the Learning Management System

Managing Resources To Maximize Return on Investment

Recognize and pivot to ever-changing work routines

- Develop universal online form submissions including the capability of receiving electronic payments
- Increase voluntary compliance in filing & payments, with the new option to submit Sturgis Rally sales tax electronically
- Review operational activities department wide for return on investment

Measurement: Decrease our paper footprint and increase our electronic footprint
Decrease workload by implementing electronic systems, thus resulting in increase time for customer attention



Our Staff



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:

- Abbott House
- Angel Fund - School Lunches
- Aurora County Food Pantry
- Black Hills Works
- CHS Harvest for Hunger
- Feed the Need Campaign (KXLG & Salvation Army)
- Feeding South Dakota
- Great Strides for Cystic Fibrosis
- Howard Boys Basketball
- Jeauld Co. Food Pantry
- Lifequest
- Miner Co. Food Pantry
- Mitchell Animal Rescue
- Mitchell Area Safehouse
- Mitchell Kiwanis Supermarket Sweep
- National Aphasia Association
- Onaben
- Pierre Swim Team
- Plankinton After Prom
- Safe N Sweet Trick N Treat at Storybook Island
- Salvation Army Angel Tree
- Save the Frogs
- Sweats for Vets Drive
- Tough Enough To Wear Pink
- Toys for Tots
- United Way

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 organizations in which they play a role.

- Alison Jares**, Streamlined Sales Tax Project
- Bobi Adams**, Midwestern States Association of Tax Administrators (MSATA)
- Brandi Eckert**, Streamlined Sales Tax Project, MSATA
- Chris Keil**, IFTA Clearinghouse Advisory Committee
- Jim Terwilliger**, MSATA
- Kathy Smith**, Multistate Tax Commission
- Kelsey Johnson**, Streamlined Sales Tax Project
- Lori Colberg**, Federation of Tax Administrators
- Marshall Milli**, American Association of Motor Vehicle Administrators
- Monica Weischedel**, American Association of Motor Vehicle Administrators
- Norm Lingle**, Multi State Lottery Association
- Rosa Yaeger**, American Association of Motor Vehicle Administrators
- Rachel Williams**, Streamlined Sales Tax Project, MSATA
- Rob Sheffield**, International Registration Plan Audit Committee
- Sally Stauffer**, Federation of Tax Administrators
- Sandy O'Day**, American Association of Motor Vehicle Administrators
- Stacy Kampshoff**, Streamlined Sales Tax Project
- Todd Bailey**, International Association of Assessing Officers
- Wendy Semmler**, International Association of Assessing Officers

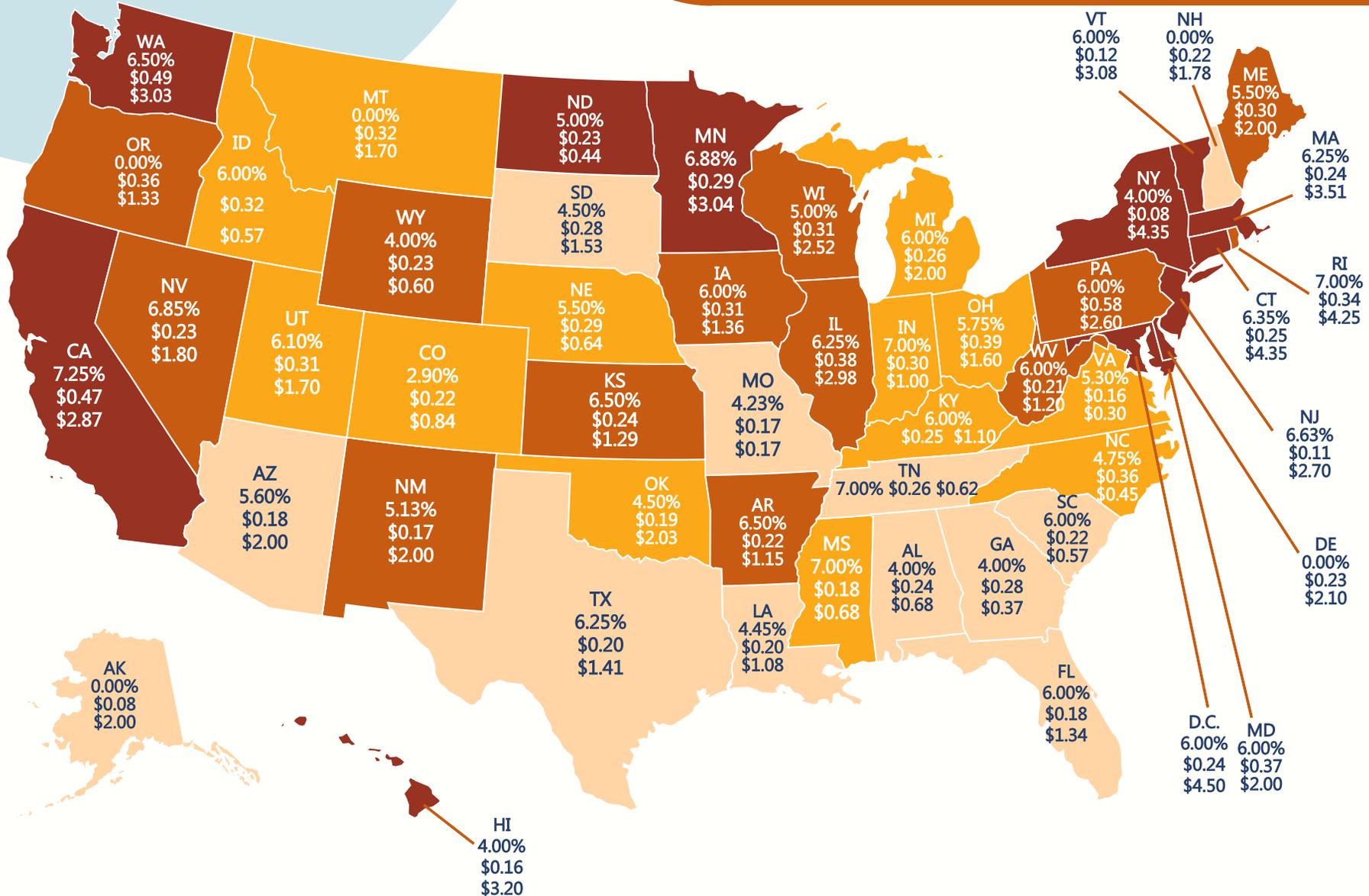


50-State Comparison

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	\$ 12,298
2	North Dakota	\$ 6,521
3	Hawaii	\$ 5,797
4	Vermont	\$ 5,495
5	Connecticut	\$ 5,047
6	Minnesota	\$ 4,996
7	California	\$ 4,764
8	Delaware	\$ 4,719
9	New York	\$ 4,710
10	Massachusetts	\$ 4,614
11	New Jersey	\$ 4,373
12	Maryland	\$ 3,905
13	Washington	\$ 3,676
14	Wyoming	\$ 3,647
15	New Mexico	\$ 3,542
16	Rhode Island	\$ 3,515
17	Maine	\$ 3,477
18	Kansas	\$ 3,443
19	Wisconsin	\$ 3,442
20	Arkansas	\$ 3,386
21	Pennsylvania	\$ 3,369
22	Iowa	\$ 3,355
23	Illinois	\$ 3,354
24	West Virginia	\$ 3,313
25	Oregon	\$ 3,310
26	Nevada	\$ 3,164
27	Utah	\$ 3,109
28	Virginia	\$ 3,080
29	Michigan	\$ 3,031
30	Indiana	\$ 2,996
31	Nebraska	\$ 2,975
32	Montana	\$ 2,965
33	Kentucky	\$ 2,886
34	North Carolina	\$ 2,795
35	Mississippi	\$ 2,785
36	Colorado	\$ 2,756
37	Idaho	\$ 2,733
38	Oklahoma	\$ 2,712
39	Ohio	\$ 2,579
40	Louisiana	\$ 2,527
41	Arizona	\$ 2,495
42	Alaska	\$ 2,434
43	Alabama	\$ 2,361
44	Georgia	\$ 2,328
45	South Dakota	\$ 2,193
46	Texas	\$ 2,184
47	New Hampshire	\$ 2,184
48	South Carolina	\$ 2,179
49	Tennessee	\$ 2,171
50	Missouri	\$ 2,148
51	Florida	\$ 2,086

Comparing the Region

State	Gas Tax (¢ per gallon)	Sales Tax (%)	Highest Individ Income Tax (%)	Cig Tax Rate (¢ per pack)
South Dakota	\$0.280	4.500%	0.00%	\$1.53
Iowa	\$0.305	6.000%	8.53%	\$1.36
Minnesota	\$0.285	6.875%	9.85%	\$3.04
Montana	\$0.320	0.000%	6.90%	\$1.70
Nebraska	\$0.293	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 \$2,193, South Dakota had the seventh lowest per capita state tax burden in 2019, 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	\$0.473
4	Ohio	\$0.385
5	Illinois	\$0.380
6	Maryland	\$0.367
7	North Carolina	\$0.361
8	Oregon	\$0.360
9	Rhode Island	\$0.340
10	Idaho	\$0.320
10	Montana	\$0.320



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%



Top-10 Highest Cigarette Tax Rates

1	District of Columbia	\$4.500
2	Connecticut	\$4.350
2	New York	\$4.350
4	Rhode Island	\$4.250
5	Massachusetts	\$3.510
6	Hawaii	\$3.200
7	Vermont	\$3.080
8	Minnesota	\$3.040
9	Washington	\$3.025
10	California	\$2.980

Remote Seller and Marketplace Provider Taxation

Fiscal Year 2020 brought with it a shift in the Department's focus as it relates to remote seller taxation. DOR began transitioning from the implementation stage and focused more resources to the compliance stage. While education and implementation are both important in the ongoing processes of maintaining tax fairness for all retailers throughout the state, the Department of Revenue is taking steps to ensure the laws are administered fairly for all parties. Please see below for some of these steps, as well as tax collection figures.

Educate



Implement



Comply



DOR focuses its efforts on educating both out-of-state and in-state businesses on how the laws affect them.

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

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

State Sales Tax Reported by Remote Sellers

Month	FY19	FY20	Percent Change
July	\$6,255,463	\$ 8,515,404	36.1%
August	\$5,035,280	\$ 5,864,579	16.5%
September	\$5,069,254	\$ 5,887,312	16.1%
October	\$5,571,722	\$ 6,957,553	24.9%
November	\$5,579,406	\$ 6,436,376	15.4%
December*	\$6,326,749	\$ 6,019,840	-4.9%
January	\$8,353,613	\$ 10,200,715	22.1%
February	\$5,833,018	\$ 6,102,724	4.6%
March	\$5,169,870	\$ 5,388,964	4.2%
April**	\$7,642,065	\$ 6,727,771	-12.0%
May	\$7,418,818	\$ 6,682,485	-9.9%
June	\$7,068,777	\$ 6,390,215	-9.6%
Totals	\$75,324,035	\$ 81,173,938	7.8%

Municipal Sales Tax Reported by Remote Sellers

Month	FY19	FY20	Percent Change
July	\$ 2,299,705	\$ 3,153,622	37.1%
August	\$ 1,855,391	\$ 2,185,508	17.8%
September	\$ 1,862,189	\$ 2,150,362	15.5%
October	\$ 2,105,434	\$ 2,625,396	24.7%
November	\$ 2,084,732	\$ 2,395,057	14.9%
December*	\$ 2,285,551	\$ 2,387,123	4.4%
January	\$ 3,386,816	\$ 3,729,021	10.1%
February	\$ 2,171,262	\$ 2,399,905	10.5%
March	\$ 2,011,840	\$ 2,115,285	5.1%
April**	\$ 3,021,445	\$ 2,528,599	-16.3%
May	\$ 2,805,377	\$ 2,384,442	-15.0%
June	\$ 2,624,545	\$ 2,300,943	-12.3%
Totals	\$ 28,514,287	\$ 30,355,263	6.5%

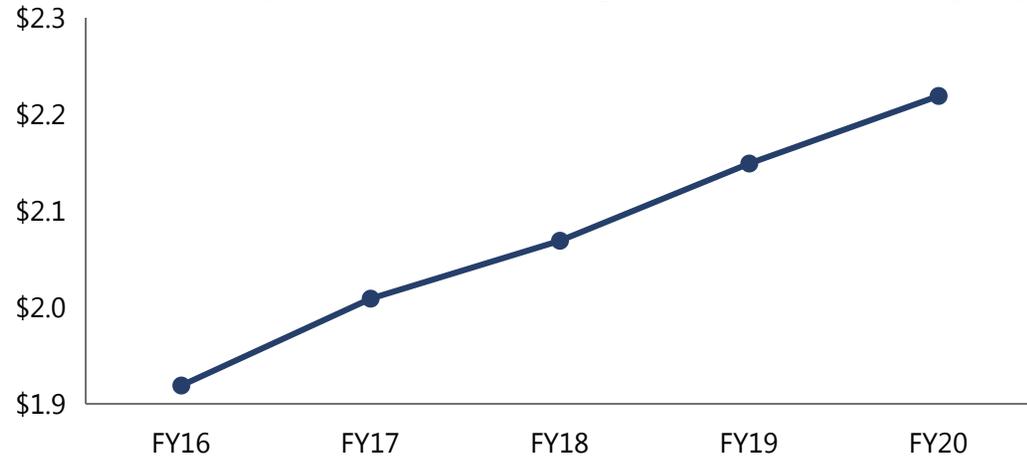
* December of Fiscal Year 2019 was the first month in which the Department of Revenue processed returns since the implementation of Special Session SB1 (Remote Sellers)

** 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 taxes and fees. 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 2020
state tax revenue totaled
\$2,222,208,167
Up 3.2%
from FY19



Of the total tax revenue collected in Fiscal Year 2020, 73.1% came from sales, use, and contractor's excise taxes. Motor fuel taxes accounted for 9.5%, motor vehicle taxes 9.2%, special taxes 5.5%, and special funds 2.7%.

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
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%
2020	\$1,623,878,853	\$59,543,442	\$210,522,720	\$205,008,909	\$123,254,243	\$2,222,208,167	3.2%
Five-Year Average	\$1,490,513,924	\$51,187,041	\$211,127,702	\$198,729,610	\$123,742,080	\$2,075,300,358	

* 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, Bingo License Fees, and Bingo Tax

Business Tax

Revenues

Tax Type	FY18	Percent Change	FY19	Percent Change	FY20	Percent Change
Sales and Use - State	\$995,997,148	3.9%	\$1,031,517,738	3.6%	\$1,082,585,028	5.0%
Contractor's Excise - State	\$107,626,628	0.8%	\$113,163,617	5.1%	\$123,723,519	9.3%
Sales and Use - Cities	\$378,292,963	4.0%	\$394,329,730	4.2%	\$405,262,621	2.8%
Sales, Use, and Contractor's Excise - Tribal	\$11,369,711	-1.2%	\$11,406,546	0.3%	\$12,307,685	7.9%
Tourism	\$12,967,660	3.5%	\$13,438,658	3.6%	\$12,557,881	-6.6%
911 Emergency/Prepaid Wireless Surcharge	\$13,188,895	1.3%	\$13,284,626	0.7%	\$13,262,703	-0.2%
Water and Environment Fund	\$73,274	111.9%	\$21,163	-71.1%	\$22,021	4.1%
Intermediate Care Facility	\$1,329,593	3.8%	\$1,323,936	-0.4%	\$1,418,887	7.2%
Reinvestment Program	\$8,858,506	497.6%	\$21,837,473	146.5%	\$20,010,151	-8.4%
Building SD Fund*	\$3,758,100	216.3%	\$0	-100.0%	\$0	0.0%
Motor Vehicle Leasing Fund	\$2,059,784	3.4%	\$2,313,807	12.3%	\$2,331,679	0.8%
Telecom	\$8,218,542	-7.5%	\$8,482,946	3.2%	\$9,940,120	17.2%
Cigarette Tax - State	\$49,892,816	-5.9%	\$45,518,207	-8.8%	\$45,931,527	0.9%
Cigarette Tax - Tribal	\$2,367,097	-7.2%	\$2,245,816	-5.1%	\$2,417,806	7.7%
Cigarette License Fees	\$12,450	-4.1%	\$13,425	7.8%	\$14,590	8.7%
Other Tobacco Products - State	\$9,264,848	5.1%	\$9,453,009	2.0%	\$10,199,255	7.9%
Other Tobacco Products - Tribal	\$302,718	0.5%	\$242,052	-20.0%	\$279,246	15.4%
Liquor License Fees	\$211,843	11.8%	\$193,402	-8.7%	\$197,625	2.2%
Malt Beverage License Fees	\$383,789	-4.2%	\$384,837	0.3%	\$391,550	1.7%
Alcoholic Beverage Brand Registration Fees	\$626,158	8.7%	\$636,058	1.6%	\$732,446	15.2%
Alcohol Beverage Excise Tax	\$16,917,664	13.0%	\$15,420,647	-8.9%	\$16,049,255	4.1%
Alcoholic Beverage 2% Purchase Price Tax	\$2,020,940	3.4%	\$2,150,157	6.4%	\$2,335,756	8.6%
Underage Penalty Fees	\$49,000	-3.9%	\$42,750	-12.8%	\$48,750	14.0%
Bank Franchise Tax	\$32,375,549	5.4%	\$46,295,361	43.0%	\$37,196,949	-19.7%
Precious Metals Tax	\$5,243,114	-32.4%	\$2,698,808	-48.5%	\$4,677,677	73.3%
Energy Mineral Tax	\$2,756,855	14.1%	\$3,070,795	11.4%	\$2,408,502	-21.6%
Coin Laundry License Fees	\$244,960	-0.6%	\$242,050	-1.2%	\$277,023	14.4%
Coin Laundry License Fees - Tribal	\$2,528	-10.2%	\$2,705	7.0%	\$2,625	-3.0%
Amusement Device Fees	\$66,876	-5.1%	\$60,708	-9.2%	\$57,767	-4.8%
Bingo License Fees	\$20,000	-38.5%	\$20,000	0.0%	\$22,525	12.6%
Bingo Tax	\$13,374	-0.1%	\$10,667	-20.2%	\$13,369	25.3%

* 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, with 95% of the revenue derived from the tax deposited into the state general fund while 5% goes to the county where the bank is located. When 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 jurisdiction 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 2020, 250 municipalities imposed municipal sales and use taxes. The maximum municipal sales tax rate 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 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 2020 Changes

Faulkton imposed a 1% municipal gross receipts tax rate on lodging, eating establishments, and alcoholic beverages. This tax is in addition to its 2% general sales and use tax rate.

Buffalo Chip removed its 2% general sales and use tax.

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 taxes 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 Jurisdictions	ST Rate	UT Rate	ET Rate	Tourism	FY2019	FY2020	Percent Change
Cheyenne River Sioux Tribe	4.5%	4.5%	2.0%	1.5%	\$3,402,738	\$3,566,696	4.8%
Crow Creek Sioux Tribe	4.5%	4.5%	2.0%	1.5%	\$591,062	\$620,057	4.9%
Oglala Sioux Tribe	4.5%	4.5%	2.0%	1.5%	\$3,274,513	\$3,932,866	20.1%
Rosebud Sioux Tribe	4.5%	4.5%	2.0%	1.5%	\$3,107,997	\$3,057,736	-1.6%
Sisseton-Wahpeton Oyate	-	4.5%	2.0%	-	\$2,902	\$4,775	64.5%
Standing Rock Sioux Tribe	4.5%	4.5%	2.0%	1.5%	\$1,025,899	\$1,071,257	4.4%
Yankton Sioux Tribe	-	4.5%	2.0%	-	\$1,434	\$54,298	3686.6%
Totals					\$11,406,546	\$12,307,685	7.9%

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 2020 to the previous year.

Event	FY2019*	FY2020*	% + / -
Black Hills Stock Show	\$69,116	\$60,387	-12.6%
Brookings Arts Festival	\$33,388	\$29,844	-10.6%
Brown County Fair	\$38,242	\$27,809	-27.3%
South Dakota State Fair	\$210,387	\$225,955	7.4%
Sturgis Motorcycle Rally**	\$1,360,171	\$1,334,973	-1.9%
Central States Fair	\$54,638	\$60,247	10.3%
Sioux Empire Fair	\$44,768	\$53,172	18.8%
Spearfish Arts Festival	\$21,134	\$20,293	-4.0%
Totals	\$1,831,844	\$1,812,680	-1.0%

* 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 answering property tax questions on new legislative changes, ensuring tax compliance from temporary vendors, 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.

"[The Auditor] was one of the best auditors I have worked with in my 35 years of professional experience-- [They] were extremely professional, knowledgeable, approachable and timely. [They] were well liked and respected by everyone [they] dealt with."
- Satisfied Customer

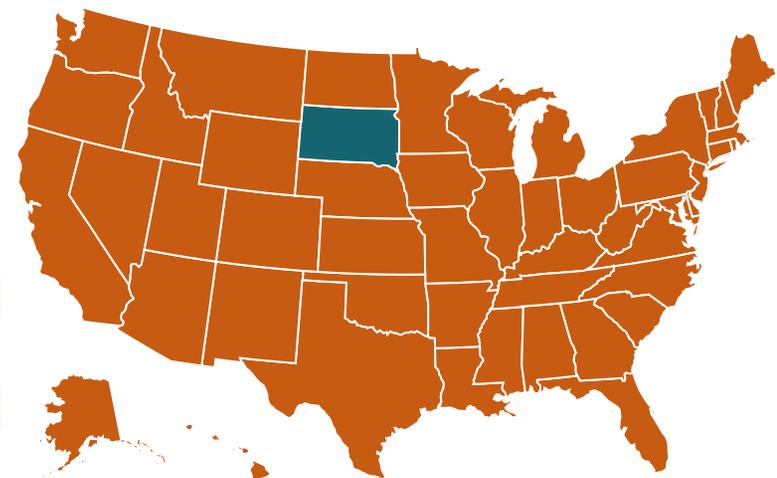
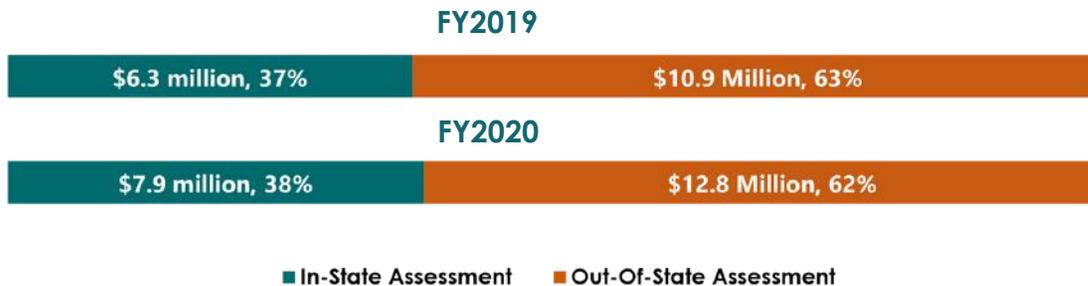
"My Audit, [the auditor], was amazing. She helped to take the "fear" out of an audit and was very professional."
- Satisfied Customer

Audits, Assessments, and Revenues*

Tax Type	FY2019				FY2020			
	Audits	Assessments	Credits	Payments Received	Audits	Assessments	Credits	Payments Received
Sales, Use, and Contractor's Excise	1,779	\$16,362,567	-\$2,792,873	\$16,047,617	1,681	\$17,691,899	-\$1,012,423	\$17,316,111
Fuel, Prorate, IFTA	237	\$153,994	-\$180,402	\$446,084	226	\$117,172	-\$82,369	\$11,676
Bank Franchise	6	\$3,579,974	\$0	\$2,755,524	5	\$4,495,680	\$0	\$274,354
Total	2,022	\$20,096,535	-\$2,973,275	\$19,249,224	1,912	\$22,304,751	-\$1,094,792	\$17,602,141

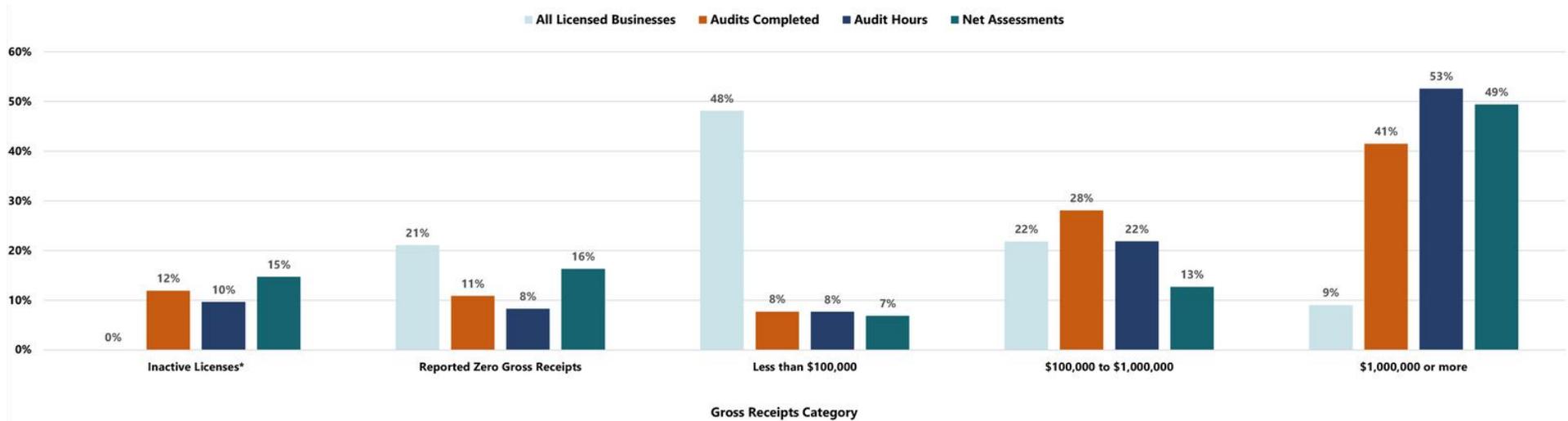
*Assessments and credits are from the original certificates of assessment.

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



FY2020 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 2020, total gaming action in Deadwood was \$1,058,984,784, down 6.13% from the previous year. At the close of the fiscal year, there were 2,818 licensed gaming devices, 111 retail locations, and approximately 1,311 licensed gaming employees.

More details on gaming revenues from Fiscal Year 2020 can be accessed in the Commission on Gaming's Annual Report, which can be found at <https://dor.sd.gov>.

Revenues

Gross Revenue Tax	\$8,418,162
FY20 Device Tax	\$5,636,000
City Slot Tax	\$437,500
License Fees	\$91,695
Application Fees	\$66,225
Interest	\$30,624
Device Testing Fees	\$10,880
Penalty on Disciplinary Action	\$2,546
Total Additions to Fund:	\$14,693,632

Distributions

City of Deadwood (SDCL 42-7B-48 & 48.1)	\$6,567,458
SD Tourism (SDCL 42-7B-48)	\$3,036,893
SD General Fund (SDCL 42-7B-48.1)	\$1,437,363
Administrative Expenses (Includes DOR Admin Charge)	\$1,250,225
SD General Fund (SDCL 42-7B-28.1)	\$949,029
Lawrence County (SDCL 42-7B-48)	\$759,223
Other Municipalities (SDCL 42-7B-48.1)	\$205,338
School Districts (SDCL 42-7B-48.1)	\$205,338
SD Historical Preservation (SDCL 42-7B-48)	\$100,000
SD Department of Social Services (SDCL 42-7B-48.3)	\$30,000
Capital Equipment	\$12,872
Total Allocations from Fund:	\$14,553,738



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:

Central City	\$1,727
Lead	\$39,530
Spearfish	\$150,222
Whitewood	\$13,858

School Districts that received funds were:

Belle Fourche	\$182
Lead-Deadwood	\$49,375
Spearfish	\$144,091
Meade	\$11,690

Lottery

The Lottery revenue generated for state funds during Fiscal Year 2020 was more than \$128.4 million. These revenues came from three sources, which are shown in the chart below.

More details on Lottery revenues from Fiscal Year 2020 can be accessed in the Lottery's annual report, which can be found at <https://lottery.sd.gov/beneficiaries/reports/>.

Revenues

	Sales	Prizes	Commission	Revenue Distributed
Instant Tickets	\$37,086,885	\$25,891,005	\$2,094,624	\$5,053,476
Lotto Tickets	\$20,995,428	\$10,256,222	\$1,071,631	\$6,894,060
Video Lottery*	\$801,476,366	\$566,740,353	\$117,368,005	\$116,483,325**
			Total	\$128,430,861

* 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?

More than \$4 million of Lottery's funds were added to the Capital Construction Fund, which is used to pay for rural water systems, community drinking water projects, wastewater improvement projects and recycling and waste disposal programs.

Since its inception in 1987, the Lottery has distributed an impressive \$3.06 billion to our beneficiaries.



Where the Money Went

	General Fund	Capital Construction Fund	Department of Social Services *
Instant Tickets	\$5,053,476	\$ -	\$ -
Lotto Tickets	\$2,412,921	\$4,481,139	\$ -
Video Lottery	\$116,194,325	\$ -	\$214,000
Video Lottery License Fees	\$75,000	\$ -	\$ -
Totals	\$123,735,722	\$4,481,139	\$214,000

* 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.

Another Year for the Record Books in Instant Ticket Sales

The SD Lottery proved its record-setting ways are no fluke by topping itself once again in instant ticket sales.

For the third consecutive year, instant ticket sales reached a new pinnacle as Fiscal Year 2020 featured \$37,086,885 in sales. This tops last year's mark of \$32,237,932 and Fiscal Year 2018's tally of \$30,181,754.

Improved technology and research remained mainstays of success. With the aid of player research and ticket testing, 34 new scratch tickets were launched in FY2020. These new tickets gave players a variety of options throughout the year with fresh tickets always on the horizon.

The Lottery staff and retailers also had more technology at their hands than ever before, thanks to the new instant/online system. The new system allowed staff to manage inventories from afar, which will continue to be a staple of our success moving forward.



And the winner is... SD Lottery!

Our loyal players weren't the only winners throughout the year, as the South Dakota Lottery and its advertising partner Lawrence & Schiller earned high acclaim.

The Lottery and Lawrence & Schiller garnered five American Advertising (ADDY) Awards in 2020. The ADDY Awards are presented annually and is one of the most prestigious honors in the video and television industry.

"The Long Walk" commercial earned the highest honors, claiming the Best of Class, Judges Choice, and Gold Winners honors. Our "Slow Clap" and "Makin' Bacon" were Silver Winners.

The winning ads can be viewed at the SD Lottery's Youtube page.

Instant Tickets

The Lottery launched 34 new instant ticket games during Fiscal Year 2020. 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 2020, there were 622 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 15.0% from the previous year and revenues were down 26.7%. Revenue from the sale of instant tickets is distributed to the General Fund.



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 2020, there were 609 licensed lotto retailers. Lotto retailers receive a 5% commission for selling tickets, plus varying bonuses for selling larger winning tickets.

Instant ticket sales were down 31.6 percent from the previous year and revenues were down 16.5 percent.

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

Video Lottery

Video lottery sales (cash in) increased by 2.0 percent from last fiscal year.

The average number of active video lottery machines during Fiscal Year 2020 was 9,034, and the average number of licensed establishments was 1,241.

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 Instant/Online Systems Debuts

The next wave of technology is here for the South Dakota Lottery and its instant/online retailers.

In November 2019, the Lottery and International Gaming Technology partnered to launch its new lotto system. The new system puts the latest technology at the fingertips of retailers throughout state as well as Lottery staff.

This new technology transitioned the Lottery away from a mainframe that had been used since the 90s. In implementing the new system, the SD Lottery became the first to use IGT's complete system.

This robust system includes sales and retailer wizards that provide both Lottery staff and retail partners with the best communication resources possible. The Lottery team can easily view sales statistics for certain products, view inventory at retail locations and provide terminal messaging in order to share the latest news with retailers and their staff.

The launch of the new system also included the new retailer pro terminals, which gave retailers improved communication along with a modern look.

Lottery players have also enjoyed the benefits of the new system first hand as they can now scan their lotto tickets by using the Lottery mobile app to see if they have a winner.

The Lottery has just hit the tip of the iceberg in terms of the new systems functionality, and we look forward to its continued benefits throughout the years.



Did You Know?

Whether it's modern graphics or a larger selection of game options, South Dakota Lottery players are continuing to choose new video lottery terminals. With continuing trends from recent years, video lottery line terminals continued to out-pace legacy machines in the field.

At the conclusion of Fiscal Year 2020, there were 4,483 line machines in the field compared to 4,644 legacy machines. This is the closest these figures have ever been.

The average Net Machine Income per terminal per day was \$94.44 for line machines. This outpaced an average of \$50.09 for terminal machines.



Lotto Promos Thrive in 2020

Thanks in part to the new instant/online system, lotto players were able to enjoy a pair of exciting opportunities through lotto promotions.

On St. Patrick's Day, players had an extra chance to find luck that lasts a lifetime through our Lucky Leprechaun Day promotion. Through the promotion, players could purchase one Lucky for Life ticket and receive another one free. This promotion garnered excellent results, generating more than \$90,000 in sales. The average Tuesday generates nearly \$7,000 in Lucky for Life sales.

On June 5, the Lottery celebrated 605 Day with another promotion. In celebration of South Dakota, the state's exclusive lotto game was the focus of the 605 Day promotion.

On June 5 only, players could purchase five Dakota Cash quick picks and get another free! Despite a low Dakota Cash jackpot, the promotion aided more than \$14,500 in Dakota Cash sales. In comparison, the average Friday generates \$8,415 in Dakota Cash sales.

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.

Registration and Title Revenues

Title and Registration Revenues	FY2019	FY2020	Percent Change
License Plate Fees-State's Share*	\$5,661,751	\$5,638,434	-0.41%
License Plate Fees-Counties', Cities', Townships' Share	\$53,657,650	\$53,535,438	-0.23%
Snowmobiles	\$121,662	\$117,976	-3.03%
Boats	\$1,739,815	\$1,697,565	-2.43%
Temporary Special Permits	\$85,624	\$81,975	-4.26%
Mobile Home Plates	\$5,400	\$4,785	-11.39%
Dealer Fees	\$421,312	\$453,068	7.54%
Duplicate Plates, Replacement Plates	\$307,986	\$282,474	-8.28%
Title and Penalty Fees	\$2,468,206	\$2,420,838	-1.92%
Trailer ID Fees	\$65,682	\$64,166	-2.31%
Motorcycle Safety Education Fees	\$767,019	\$767,785	0.10%
Mobile Home Registration Fees-State's Share	\$105,996	\$99,099	-6.51%
Other Vehicle 4% Excise Tax	\$113,260,997	\$116,330,364	2.71%
Snowmobile 3% Excise Tax	\$282,313	\$257,995	-8.61%
Register of Deeds Fees	\$187,470	\$176,505	-5.85%
DENR-Solid Waste Fees	\$1,309,601	\$1,289,683	-1.52%
DPS-Highway Patrol Fees	\$1,397,827	\$1,375,267	-1.61%
Total Receipts	\$181,846,311	\$184,593,417	1.51%

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/decal.

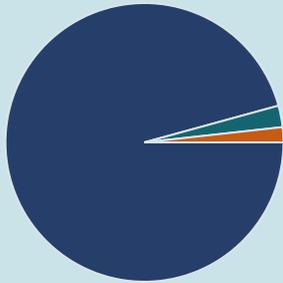
*State Motor Vehicle Fund, License Plate Special Revenue Fund

Motor Carrier Revenue

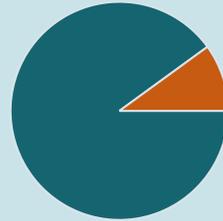
Revenue Source	FY19	FY20	Percent Change
Unified Carrier Registration Fees	\$964,852	\$829,375	-14.0%
International Fuel Tax Agreement (IFTA)	\$992,473	\$1,083,752	9.2%
International Registration Plan (IRP) - Prorate	\$20,132,683	\$20,321,320	0.9%

Distributions

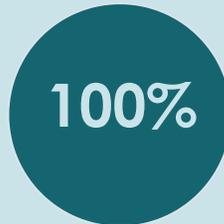
Motor Vehicle Registration Fees



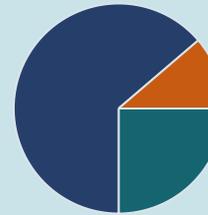
Snowmobiles



Plates & Permits



Mobile Home Registration Fees



Title & Penalty Fees



Motor Fuel Excise Tax



Tax collected from gallons of motor fuel sold.

Motor Vehicle Excise Tax



Tax collected from the sale of motor vehicles and watercrafts.

Did you know...

There are currently **143** different South Dakota license plates.



Renew On The Go!



In Fiscal Year 2020, more than 134,000 vehicle registrations were renewed through our DMV Now Kiosks.

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!

Fiscal Year 2020 By The Numbers

Title Applications Processed

378,323

Registrations Renewed Online

107,104

↑ 56%

Registrations Renewed at a DMV Now Kiosk

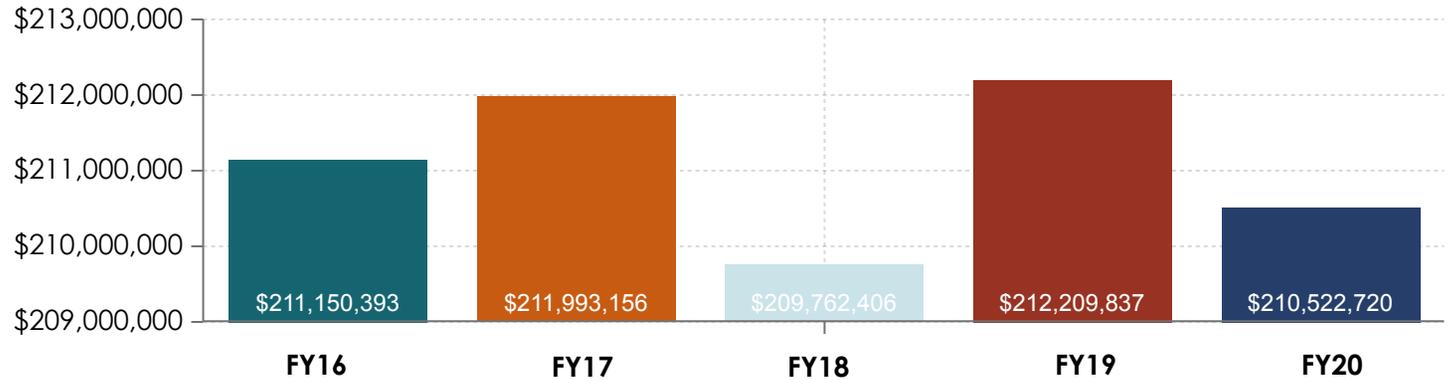
134,815

↑ 38%

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 2020, total fuel tax revenues amounted to \$210,522,720. 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.

Motor Fuel Revenues



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.

Revenue Sources

Revenue Source	FY19	FY20	Percent Change
Aviation Fuel	\$697,145	\$786,810	12.9%
Motor Fuel Tax	\$188,141,743	\$186,486,044	-0.9%
Motor Fuel Tax - Tribal	\$4,840,570	\$4,748,495	-1.9%
Tank Inspection Fees	\$17,537,906	\$17,648,027	0.6%

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 **17** different motor fuel license types and a total of **3,144** licensees.

Property Tax

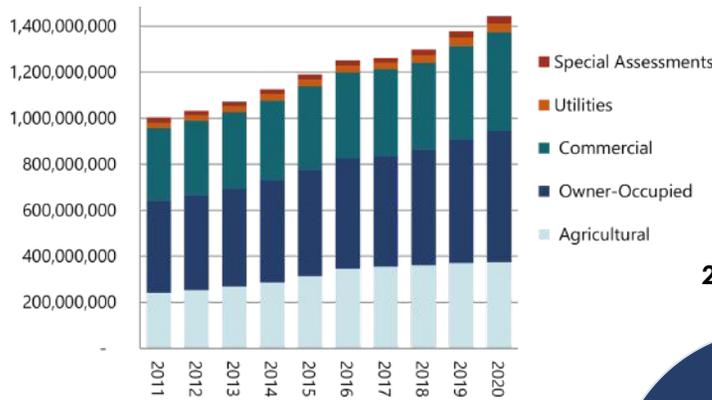
In 2020, South Dakota property owners paid more than \$1 billion to fund local governments and provide K-12 education for the state's children. The state does not collect or spend any property tax money. Each county administers its own property tax system. The department's primary role is to assist local 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.

Effective Tax Rates

The following table shows the effective tax rate for agricultural, owner-occupied, and commercial property in a sampling of jurisdictions payable in 2020. The effective tax rate is the percentage of a property's market value that will be paid in taxes. For example, if the effective tax rate is 2%, and the market value of the property is \$150,000, then the taxes will be about \$3,000 per year.

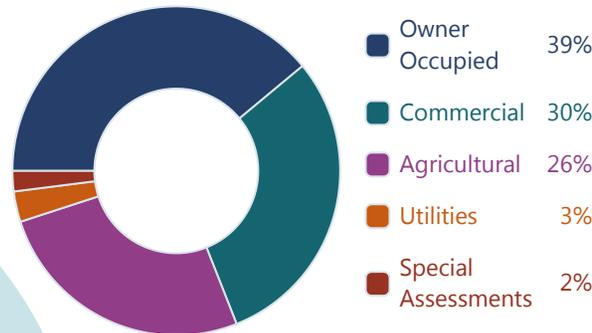
The "Ag" effective tax rate is for the agricultural property in the township around the city listed. The "Non-Ag" category includes commercial property, utility property, and residential property not occupied by the owner within the specified city.

Property Tax Contribution History



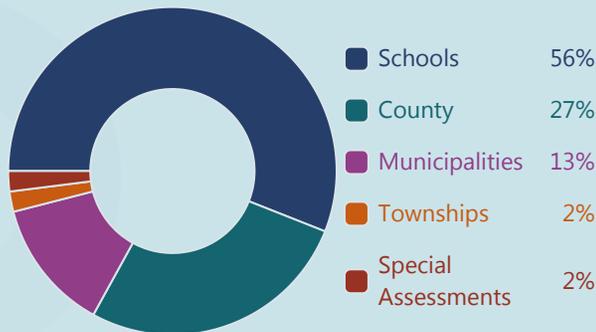
Who Paid

2020 Tax Contribution Breakdown



Where The Money Went

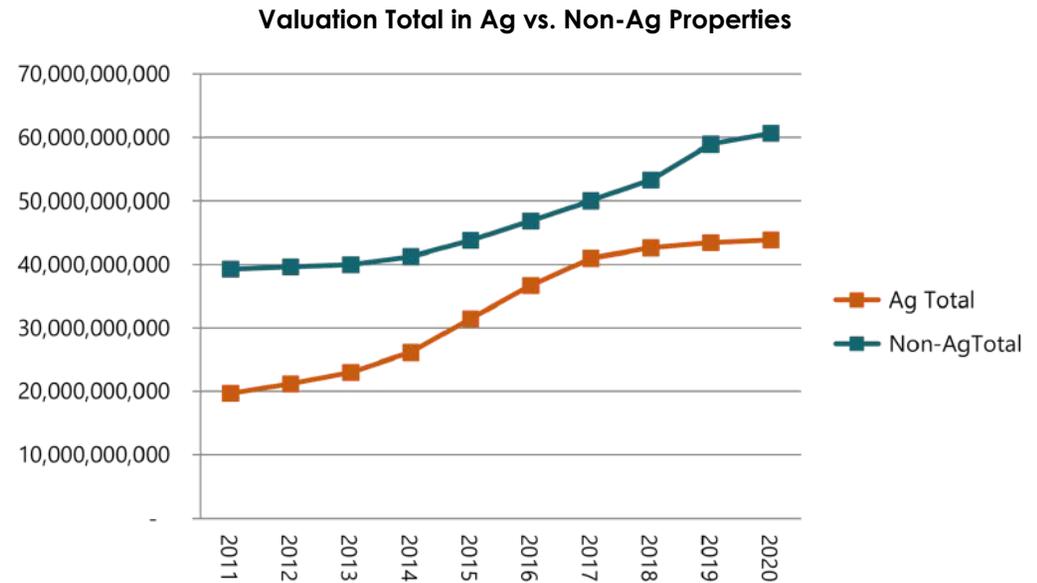
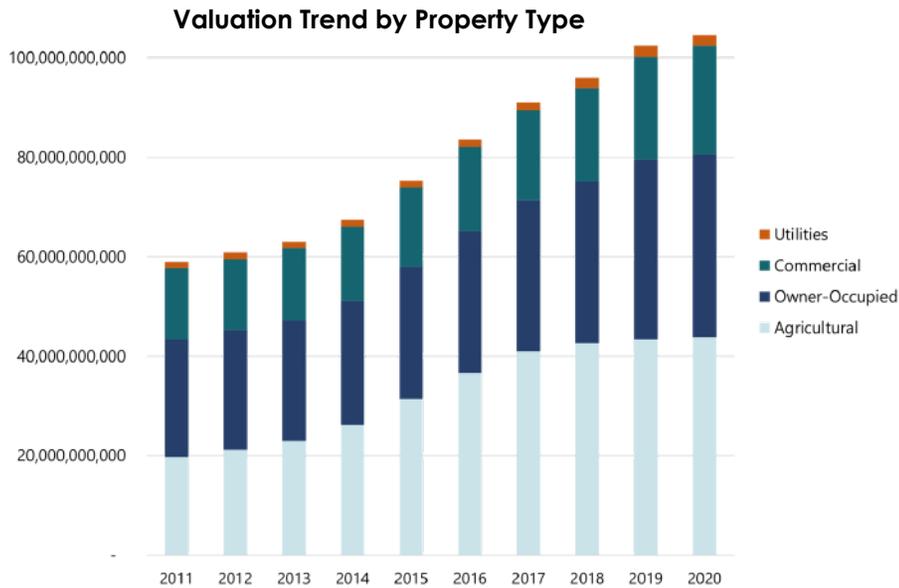
2020 Tax Distribution Breakdown



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

City	Agricultural Effective Tax Rate	Owner-Occupied Effective Tax Rate	Other Effective Tax Rate
Aberdeen	0.94%	1.54%	1.85%
Belle Fourche	0.89%	1.55%	1.85%
Brandon	0.99%	1.42%	1.72%
Brookings	1.06%	1.36%	1.70%
Canton	0.87%	1.60%	1.90%
Chamberlain	0.73%	1.45%	1.75%
Dell Rapids	0.91%	1.42%	1.72%
Flandreau	0.98%	1.79%	2.09%
Hot Springs	0.98%	1.59%	1.89%
Huron	0.65%	1.58%	2.09%
Madison	0.80%	1.59%	1.90%
Milbank	1.00%	1.43%	1.73%
Mitchell	0.96%	1.49%	1.80%
Mobridge	0.92%	1.64%	2.00%
Pierre	0.82%	1.26%	1.56%
Rapid City	1.16%	1.35%	1.66%
Redfield	0.79%	2.01%	2.31%
Sioux Falls	0.94%	1.38%	1.73%
Sisseton	0.88%	1.95%	2.25%
Sturgis	0.88%	1.55%	1.85%
Vermillion	1.05%	1.64%	2.04%
Watertown	0.83%	1.13%	1.44%
Webster	0.81%	1.58%	1.88%
Winner	0.64%	1.29%	1.59%
Yankton	0.89%	1.32%	1.62%
Statewide	0.73%	1.32%	1.65%

Taxable Valuations by Category: 2011-2020



See Appendix B for taxable valuations by county. Figures listed are 2019 valuations for taxes payable in 2020.

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://sddor.seamlessgov.com/publications-annual-reports>.

Industrial (15 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 (127 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 (46 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 (5 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.

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.



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 2021 are set statewide as follows:

Ag \$1.443/\$1,000 of value
Owner-Occupied \$3.229/\$1,000 of value
Other \$6.682/\$1,000 of value

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 \$1.4 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. Our education program is an important aspect in achieving this goal. The department hosted a wide range of seminars during Fiscal Year 2020, 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.

Is your group or organization in search for a customized presentation? Request one at sddor.seamlessdocs.com/f/5007

Our Seminars Cover:

- Sales and Use Tax
- Contractor's Excise Tax
- Bookkeeping
- Property Tax
- Gaming Tax
- Motor Vehicle Excise Tax
- Agriculture Business
- Tobacco Tax
- Alcohol Tax

All of our seminars are free of charge.

Online Resources

Stay #OnlineAndOutOfLine this season by taking advantage of our resources we've provided electronically!

- Tax Facts
- Live Chat
- Virtual Office Visits
- DMV Now Kiosks
- Tax Education

New Ways to Learn

In Fiscal Year 2020, the Department of Revenue shared resources with you!

This year we focused on educating our partners with courses relevant to their needs through DOR's Learning Management System (LMS).

The Learning Management System currently has more than 900 courses!

Fiscal Year 2020 By The Numbers

76

Courses completed by county officials through LMS

89

Tax Fact Publications

1,007

Customers who received training

14,433

Live Chat Events

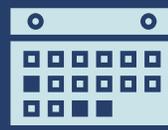
Lean

Lean is a process improvement approach and a collection of principles and tools used to eliminate wasteful activities that do not add value to our customers. The Department of Revenue carried on this continuous improvement initiative through a variety of Lean trainings and activities.

Fiscal Year 2020 By The Numbers



45 Form
Improvement
Ideas
Created



2 Kaizen
Events
Conducted



10 5S
Projects
Completed

Progression Levels Since 2017

Level 1 Aware

- 2 hour Lean Core Concepts Training

212 Staff

Level 2 Engaged

- Complete Level 1
- Complete at least 3 Focused Lean trainings

22 Staff

Level 3 Practicing

- Complete Level 2
- Complete 2 more Focused Lean trainings (total of 5)
- Act as an Advisor for a specific Lean method & post-training project
- Complete 2 "Just Do It" or participate/observe 1 Kaizen event

2 Staff

Level 4 Leading

- Dual facilitate 1 training and conduct 1 focus conversation
- Act as a Lean Liaison
- Lead Advisor on 1 Project Charter

0 Staff

Level 5 Facilitating

- Complete facilitator training
- Dual facilitate 2 Kaizen events or 1 Kaizen plus 1 training
- Every two years, dual facilitate 1 Kaizen event

2 Staff

Lean Success

During Fiscal Year 2020, the Motor Vehicle Division conducted a Kaizen event to improve the International Registration Plan (IRP) credentialing process. The goal of the event was to improve customer service, decrease process time, and increase the efficiency of the Motor Vehicle Division floorplan.

A Kaizen event is a two or three day event that involves breaking down a process, removing any unnecessary elements, and then putting it back together in a new and improved way.

Total
Steps

40 Steps



11 Steps

Total
Process Time

35 Minutes



11 Minutes

Total
Movements

40 Movements



17 Movements



Process
improved by

↑ 59%

#	City	MGRT Rate	Sales/Use Tax Rate	FY2019	FY2020	% Change	#	City	MGRT Rate	Sales/Use Tax Rate	FY2019	FY2020	% Change
1	Aberdeen	1.00%	2.00%	\$19,059,323.30	\$19,948,630.29	4.67%	51	Colton	1.00%	2.00%	\$161,431.66	\$174,942.69	8.37%
2	Akaska	-	2.00%	\$26,991.22	\$31,690.91	17.41%	52	Columbia	-	2.00%	\$25,890.53	\$24,578.03	-5.07%
3	Alcester	-	2.00%	\$270,034.57	\$215,393.39	-20.23%	53	Conde	-	2.00%	\$51,282.56	\$70,622.77	37.71%
4	Alexandria	-	2.00%	\$131,248.33	\$147,117.68	12.09%	54	Corona	-	2.00%	\$21,520.07	\$30,647.29	42.41%
5	Alpena	-	1.00%	\$165,456.77	\$200,258.36	21.03%	55	Corsica	1.00%	2.00%	\$322,821.75	\$336,257.79	4.16%
6	Andover	-	2.00%	\$7,498.51	\$12,597.15	68.00%	56	Crooks	1.00%	2.00%	\$189,893.94	\$229,198.08	20.70%
7	Arlington	-	2.00%	\$558,110.44	\$690,291.25	23.68%	57	Custer	1.00%	2.00%	\$1,889,998.39	\$1,882,702.54	-0.39%
8	Armour	-	2.00%	\$280,898.24	\$279,696.39	-0.43%	58	Dallas	1.00%	2.00%	\$48,699.38	\$54,163.85	11.22%
9	Artesian	-	2.00%	\$20,918.71	\$21,913.48	4.76%	59	Dante	-	1.00%	\$7,670.75	\$8,318.52	8.44%
10	Ashton	-	2.00%	\$15,226.02	\$14,913.49	-2.05%	60	Davis	-	2.00%	\$13,494.39	\$12,755.89	-5.47%
11	Astoria	-	2.00%	\$21,066.67	\$57,854.37	174.63%	61	De Smet	1.00%	2.00%	\$590,953.09	\$602,916.83	2.02%
12	Aurora	-	1.00%	\$84,857.45	\$90,085.87	6.16%	62	Deadwood	1.00%	2.00%	\$3,792,675.11	\$3,598,264.54	-5.13%
13	Avon	-	2.00%	\$173,400.44	\$239,545.76	38.15%	63	Dell Rapids	1.00%	2.00%	\$1,222,885.65	\$1,279,873.52	4.66%
14	Baltic	1.00%	2.00%	\$173,228.35	\$226,508.18	30.76%	64	Delmont	-	2.00%	\$47,724.20	\$41,786.08	-12.44%
15	Belle Fourche	1.00%	2.00%	\$2,879,968.61	\$3,138,291.69	8.97%	65	Dimock	-	2.00%	\$64,759.05	\$54,746.67	-15.46%
16	Belvidere	-	2.00%	\$13,622.03	\$10,373.63	-23.85%	66	Doland	-	2.00%	\$56,153.19	\$67,604.06	20.39%
17	Beresford	1.00%	2.00%	\$1,188,128.91	\$1,082,755.54	-8.87%	67	Dupree	-	1.00%	\$57,741.45	\$60,964.51	5.58%
18	Big Stone City	-	2.00%	\$339,696.38	\$351,866.63	3.58%	68	Eagle Butte	1.00%	2.00%	\$497,624.13	\$590,667.30	18.70%
19	Bison	-	2.00%	\$125,594.48	\$136,158.50	8.41%	69	Eden	-	1.00%	\$22,704.79	\$27,962.45	23.16%
20	Blunt	1.00%	1.00%	\$50,722.46	\$51,857.68	2.24%	70	Egmont	1.00%	2.00%	\$269,514.19	\$295,939.19	9.80%
21	Bonesteel	-	2.00%	\$79,800.47	\$84,237.68	5.56%	71	Egan	-	2.00%	\$86,397.37	\$46,299.43	-46.41%
22	Bowdle	-	2.00%	\$218,905.71	\$140,736.06	-35.71%	72	Elk Point	1.00%	2.00%	\$604,615.12	\$718,934.61	18.91%
23	Box Elder	1.00%	2.00%	\$2,139,808.30	\$2,927,161.77	36.80%	73	Elkton	-	2.00%	\$215,419.60	\$201,537.40	-6.44%
24	Bradley	-	2.00%	\$17,009.36	\$25,845.12	51.95%	74	Emery	-	2.00%	\$169,173.80	\$171,693.03	1.49%
25	Brandon	1.00%	2.00%	\$3,451,410.03	\$3,658,112.81	5.99%	75	Estelline	-	2.00%	\$184,579.08	\$192,770.92	4.44%
26	Brandt	-	2.00%	\$22,603.42	\$24,704.19	9.29%	76	Ethan	-	2.00%	\$74,587.58	\$71,287.84	-4.42%
27	Bridgewater	-	2.00%	\$94,196.73	\$90,638.88	-3.78%	77	Eureka	-	2.00%	\$362,190.05	\$359,162.69	-0.84%
28	Bristol	-	2.00%	\$61,496.94	\$65,397.28	6.34%	78	Fairfax	-	2.00%	\$34,127.16	\$30,731.52	-9.95%
29	Britton	1.00%	2.00%	\$709,422.24	\$775,394.71	9.30%	79	Fairview	-	2.00%	\$7,779.77	\$10,873.28	39.76%
30	Brookings	1.00%	2.00%	\$15,031,930.44	\$15,105,251.46	0.49%	80	Faith	1.00%	2.00%	\$264,779.65	\$278,895.64	5.33%
31	Bruce	-	2.00%	\$65,110.09	\$73,702.88	13.20%	81	Faulton	1.00%	2.00%	\$325,387.61	\$405,179.10	24.52%
32	Bryant	-	2.00%	\$190,135.50	\$247,918.60	30.39%	82	Flandreau	1.00%	2.00%	\$726,284.19	\$759,793.94	4.61%
33	Buffalo	-	2.00%	\$208,739.13	\$203,000.92	-2.75%	83	Florence	-	2.00%	\$50,414.23	\$59,828.60	18.67%
34	Buffalo Chip*	-	0.00%	\$51,244.09	\$3,870.89	-92.45%	84	Fort Pierre	1.00%	2.00%	\$1,293,684.30	\$1,369,969.43	5.90%
35	Burke	-	2.00%	\$340,991.56	\$365,633.45	7.23%	85	Frankfort	-	2.00%	\$24,478.33	\$26,562.64	8.51%
36	Camp Crook	-	1.00%	\$7,816.92	\$8,176.58	4.60%	86	Frederick	-	1.00%	\$25,071.75	\$24,664.04	-1.63%
37	Canistota	1.00%	2.00%	\$191,629.04	\$213,377.17	11.35%	87	Freeman	-	2.00%	\$609,328.33	\$645,390.68	5.92%
38	Canova	-	1.95%	\$27,220.04	\$27,585.04	1.34%	88	Garretson	1.00%	2.00%	\$419,432.32	\$486,864.10	16.08%
39	Canton	1.00%	2.00%	\$1,097,636.32	\$1,160,995.81	5.77%	89	Gary	-	1.00%	\$44,559.74	\$56,589.04	27.00%
40	Carthage	-	2.00%	\$38,695.03	\$44,611.73	15.29%	90	Gayville	-	2.00%	\$54,093.69	\$62,430.64	15.41%
41	Castlewood	-	2.00%	\$156,993.64	\$153,167.41	-2.44%	91	Getdes	-	2.00%	\$62,876.08	\$71,107.29	13.09%
42	Cavour	-	2.00%	\$32,553.14	\$35,413.09	8.79%	92	Geddysburg	1.00%	2.00%	\$545,152.04	\$558,846.27	2.51%
43	Centerville	1.00%	2.00%	\$179,094.81	\$193,169.04	7.86%	93	Glenham	-	2.00%	\$37,532.30	\$33,103.75	-11.80%
44	Central City	-	2.00%	\$81,378.53	\$82,597.32	1.50%	94	Gregory	1.00%	2.00%	\$707,534.42	\$730,225.43	3.21%
45	Chamberlain	1.00%	2.00%	\$1,463,442.18	\$1,558,795.12	6.52%	95	Grenville	-	2.00%	\$17,886.25	\$18,410.83	2.93%
46	Chancellor	1.00%	2.00%	\$70,410.79	\$87,365.52	24.08%	96	Groton	1.00%	2.00%	\$515,751.79	\$568,635.60	10.25%
47	Clark	-	2.00%	\$501,789.85	\$493,422.13	-1.67%	97	Harrisburg	1.00%	2.00%	\$1,444,462.12	\$1,737,930.27	20.32%
48	Clear Lake	1.00%	2.00%	\$568,918.60	\$626,494.00	10.12%	98	Harrold	-	2.00%	\$41,772.57	\$53,444.51	27.94%
49	Colman	-	2.00%	\$194,765.96	\$220,467.73	13.20%	99	Hartford	1.00%	2.00%	\$974,270.22	\$1,093,155.40	12.20%
50	Colome	1.00%	2.00%	\$81,086.31	\$82,198.56	1.37%	100	Hayti	-	2.00%	\$91,974.55	\$126,576.45	37.62%

*Buffalo Chip removed its 2% general sales and use tax that went into effect on July 1, 2019. Tax revenue paid in FY2020 was due in a prior period.

#	City	MGRT Rate	Sales/Use Tax Rate	FY2019	FY2020	% Change
101	Hazel	-	1.00%	\$15,022.63	\$17,990.18	19.75%
102	Hecla	-	1.00%	\$45,502.99	\$41,690.82	-8.38%
103	Henry	-	1.00%	\$30,464.88	\$29,835.03	-2.07%
104	Hermosa	1.00%	2.00%	\$182,378.84	\$197,117.72	8.08%
105	Herreid	-	2.00%	\$253,855.36	\$215,297.32	-15.19%
106	Highmore	1.00%	2.00%	\$409,448.09	\$486,132.22	18.73%
107	Hill City	1.00%	2.00%	\$1,113,571.97	\$1,117,290.96	0.33%
108	Hitchcock	-	1.00%	\$20,474.31	\$15,180.24	-25.86%
109	Hosmer	-	2.00%	\$61,622.04	\$61,593.14	-0.05%
110	Hot Springs	1.00%	2.00%	\$1,688,943.28	\$1,746,334.94	3.40%
111	Hoven	-	2.00%	\$158,201.39	\$194,119.46	22.70%
112	Howard	-	2.00%	\$386,116.49	\$361,572.54	-6.36%
113	Hudson	-	2.00%	\$137,239.61	\$138,374.61	0.83%
114	Humboldt	1.00%	2.00%	\$225,930.11	\$243,332.40	7.70%
115	Hurley	-	2.00%	\$65,760.00	\$60,365.39	-8.20%
116	Huron	1.00%	2.00%	\$7,353,151.81	\$7,319,463.98	-0.46%
117	Interior	1.00%	2.00%	\$49,606.83	\$50,947.44	2.70%
118	Ipswich	-	2.00%	\$458,371.12	\$405,625.88	-11.51%
119	Irene	1.00%	2.00%	\$96,303.88	\$102,571.52	6.51%
120	Iroquois	-	1.00%	\$32,761.13	\$42,951.03	31.10%
121	Isabel	-	2.00%	\$87,414.98	\$91,490.90	4.66%
122	Java	-	2.00%	\$18,065.56	\$18,906.77	4.66%
123	Jefferson	-	2.00%	\$144,718.98	\$148,900.76	2.89%
124	Kadoka	1.00%	2.00%	\$345,932.11	\$349,579.92	1.05%
125	Kennebec	1.00%	2.00%	\$191,429.32	\$137,381.51	-28.23%
126	Keystone	1.00%	2.00%	\$1,087,058.54	\$1,026,050.70	-5.61%
127	Kimball	1.00%	2.00%	\$392,913.29	\$428,435.36	9.04%
128	Kranzburg	-	2.00%	\$37,793.27	\$57,276.80	51.55%
129	La Bolt	-	1.00%	\$8,556.84	\$13,998.53	63.59%
130	Lake Andes	-	2.00%	\$235,210.35	\$212,968.06	-9.46%
131	Lake City	-	1.00%	\$9,001.64	\$11,632.78	29.23%
132	Lake Norden	-	2.00%	\$2,359,926.90	\$895,738.14	-62.04%
133	Lake Preston	-	2.00%	\$187,096.53	\$205,323.81	9.74%
134	Langford	-	2.00%	\$82,530.71	\$74,075.07	-10.25%
135	Lead	1.00%	2.00%	\$919,862.18	\$1,307,327.54	42.12%
136	Lemmon	1.00%	2.00%	\$700,888.28	\$711,051.93	1.45%
137	Lennox	1.00%	2.00%	\$617,325.92	\$695,282.43	12.63%
138	Leola	-	2.00%	\$99,019.99	\$124,730.48	25.96%
139	Lesterville	-	2.00%	\$27,873.40	\$38,387.04	37.72%
140	Letcher	1.00%	2.00%	\$36,191.58	\$39,324.61	8.66%
141	Madison	1.00%	2.00%	\$3,514,473.06	\$3,665,758.75	4.30%
142	Marion	-	2.00%	\$258,830.89	\$269,632.53	4.17%
143	Martin	1.00%	2.00%	\$517,744.41	\$557,493.58	7.68%
144	McIntosh	-	2.00%	\$47,292.69	\$37,976.93	-19.70%
145	McLaughlin	-	2.00%	\$243,858.30	\$226,145.91	-7.26%
146	Mellette	-	2.00%	\$55,356.72	\$67,669.80	22.24%
147	Menno	-	2.00%	\$247,039.27	\$268,193.42	8.56%
148	Midland	-	2.00%	\$77,614.55	\$72,075.15	-7.14%
149	Milbank	1.00%	2.00%	\$2,903,280.81	\$3,197,562.98	10.14%
150	Miller	1.00%	2.00%	\$834,099.15	\$828,873.20	-0.63%

#	City	MGRT Rate	Sales/Use Tax Rate	FY2019	FY2020	% Change
151	Mission	-	2.00%	\$492,490.61	\$520,270.87	5.64%
152	Mitchell	1.00%	2.00%	\$12,167,024.01	\$12,052,846.26	-0.94%
153	Mobridge	1.00%	2.00%	\$1,737,276.57	\$1,783,703.31	2.67%
154	Monroe	-	2.00%	\$12,139.83	\$13,833.31	13.95%
155	Montrose	-	2.00%	\$81,580.56	\$81,370.89	-0.26%
156	Morristown	-	1.50%	\$13,364.65	\$12,217.58	-8.58%
157	Mound City	-	2.00%	\$19,227.11	\$21,293.54	10.75%
158	Mount Vernon	1.00%	2.00%	\$83,948.89	\$84,445.07	0.59%
159	Murdo	1.00%	2.00%	\$516,067.01	\$502,562.90	-2.62%
160	New Effington	-	2.00%	\$74,128.68	\$77,444.79	4.47%
161	New Underwood	-	2.00%	\$113,111.20	\$148,716.79	31.48%
162	Newell	-	2.00%	\$230,217.19	\$243,520.32	5.78%
163	Nisland	-	2.00%	\$20,810.34	\$25,042.20	20.34%
164	North Sioux City	1.00%	2.00%	\$3,054,138.76	\$2,893,772.65	-5.25%
165	Oacoma	1.00%	2.00%	\$542,126.47	\$565,468.90	4.31%
166	Oldham	-	2.00%	\$34,174.24	\$22,247.12	-34.90%
167	Olivet	-	1.00%	\$21,368.80	\$15,219.74	-28.78%
168	Onida	-	2.00%	\$273,526.11	\$267,660.31	-2.14%
169	Orient	-	1.00%	\$12,667.10	\$13,319.97	5.15%
170	Parker	-	2.00%	\$383,528.20	\$395,814.63	3.20%
171	Parkston	1.00%	2.00%	\$610,000.22	\$699,729.86	14.71%
172	Peever	-	2.00%	\$19,805.42	\$22,352.12	12.86%
173	Philip	-	2.00%	\$554,928.39	\$504,813.42	-9.03%
174	Pickstown	-	2.00%	\$92,150.39	\$94,387.59	2.43%
175	Piedmont	-	2.00%	\$286,689.18	\$283,865.00	-0.99%
176	Pierpont	-	2.00%	\$19,621.60	\$23,065.64	17.55%
177	Pierre	1.00%	2.00%	\$8,321,728.12	\$8,719,352.10	4.78%
178	Plankinton	-	2.00%	\$231,631.54	\$229,781.10	-0.80%
179	Platte	1.00%	2.00%	\$715,901.20	\$787,458.72	10.00%
180	Pollock	-	2.00%	\$165,100.50	\$111,308.75	-32.58%
181	Presho	-	2.00%	\$170,785.35	\$223,731.68	31.00%
182	Pringle	-	2.00%	\$34,101.07	\$29,943.88	-12.19%
183	Pukwana	-	2.00%	\$42,478.38	\$53,058.39	24.91%
184	Quinn	1.00%	1.00%	\$5,964.63	\$6,129.52	2.76%
185	Ramona	-	2.00%	\$29,612.71	\$26,478.04	-10.59%
186	Rapid City	1.00%	2.00%	\$62,738,185.26	\$63,067,136.12	0.52%
187	Redfield	1.00%	2.00%	\$1,023,279.54	\$1,019,396.66	-0.38%
188	Reliance	1.00%	2.00%	\$55,703.43	\$31,352.43	-43.72%
189	Reville	-	1.00%	\$14,614.12	\$13,724.64	-6.09%
190	Roscoe	-	2.00%	\$121,438.17	\$129,410.96	6.57%
191	Rosholt	-	2.00%	\$146,160.89	\$186,704.06	27.74%
192	Roslyn	-	3.00%	\$67,185.17	\$78,288.56	16.53%
193	Saint Lawrence	-	2.00%	\$42,972.33	\$42,074.02	-2.09%
194	Salem	1.00%	2.00%	\$542,870.28	\$544,996.35	0.39%
195	Scotland	-	2.00%	\$318,519.96	\$350,435.95	10.02%
196	Selby	-	2.00%	\$241,208.07	\$268,644.93	11.37%
197	Sherman	-	1.00%	\$5,540.84	\$7,266.73	31.15%
198	Sioux Falls	1.00%	2.00%	\$138,414,201.14	\$142,425,132.75	2.90%
199	Sioux Falls - Lodging	-	1.00%	\$863,247.68	\$868,795.63	0.64%
200	Sisseton	1.00%	2.00%	\$1,195,598.21	\$1,276,199.08	6.74%

#	City	MGRT Rate	Sales/Use Tax Rate	FY2019	FY2020	% Change
201	South Shore	-	1.00%	\$13,207.19	\$35,173.47	166.32%
202	Spearfish	1.00%	2.00%	\$8,819,393.52	\$9,334,931.07	5.85%
203	Spencer	-	2.00%	\$23,489.48	\$23,994.11	2.15%
204	Springfield	-	2.00%	\$219,956.05	\$243,219.11	10.58%
205	Stickney	-	2.00%	\$133,232.50	\$131,262.02	-1.48%
206	Stratford	-	2.00%	\$18,112.54	\$19,534.72	7.85%
207	Sturgis	1.00%	2.00%	\$3,838,417.34	\$4,010,792.11	4.49%
208	Summerset	1.00%	2.00%	\$677,311.77	\$794,269.74	17.27%
209	Summit	-	2.00%	\$168,395.14	\$190,306.75	13.01%
210	Tabor	-	2.00%	\$108,667.80	\$118,650.17	9.19%
211	Tea	1.00%	2.00%	\$1,617,221.41	\$2,150,680.45	32.99%
212	Timber Lake	-	2.00%	\$184,307.79	\$216,688.76	17.57%
213	Toronto	-	2.00%	\$95,718.79	\$116,062.67	21.25%
214	Trent	-	2.00%	\$21,904.76	\$32,407.12	47.95%
215	Tripp	-	2.00%	\$150,355.07	\$130,859.51	-12.97%
216	Tulare	-	1.00%	\$85,248.58	\$101,778.56	19.39%
217	Tyndall	-	2.00%	\$345,191.90	\$374,476.61	8.48%
218	Utica	-	1.00%	\$6,607.34	\$17,612.03	166.55%
219	Valley Springs	-	2.00%	\$136,298.98	\$158,743.40	16.47%
220	Veblen	-	2.00%	\$71,653.61	\$73,560.41	2.66%
221	Vermillion	1.00%	2.00%	\$4,302,361.49	\$4,324,629.28	0.52%
222	Viborg	1.00%	2.00%	\$310,576.09	\$313,824.61	1.05%
223	Volga	-	2.00%	\$546,009.94	\$599,382.61	9.78%
224	Volin	-	2.00%	\$21,326.20	\$22,089.90	3.58%
225	Wagner	-	2.00%	\$783,024.23	\$812,164.95	3.72%
226	Wakonda	-	2.00%	\$78,336.98	\$99,598.30	27.14%
227	Wall	1.00%	2.00%	\$1,283,089.79	\$1,318,465.18	2.76%
228	Wallace	-	1.00%	\$9,647.28	\$13,841.78	43.48%
229	Ward	-	2.00%	\$22,672.26	\$22,082.47	-2.60%
230	Warner	-	2.00%	\$59,727.99	\$66,937.21	12.07%
231	Wasta	-	1.00%	\$4,894.39	\$6,388.43	30.53%
232	Watertown	1.00%	2.00%	\$16,531,836.60	\$16,998,915.01	2.83%
233	Waubay	-	2.00%	\$128,936.42	\$159,540.68	23.74%
234	Webster	1.00%	2.00%	\$1,101,386.72	\$1,075,444.70	-2.36%
235	Wentworth	-	2.00%	\$73,731.52	\$62,415.97	-15.35%
236	Wessington	-	2.00%	\$78,349.85	\$74,168.42	-5.34%
237	Wessington Springs	-	2.00%	\$370,378.82	\$363,040.98	-1.98%
238	Westport	-	2.00%	\$23,821.14	\$25,516.40	7.12%
239	White	-	2.00%	\$90,251.70	\$121,630.67	34.77%
240	White Lake	1.00%	2.00%	\$134,813.85	\$114,679.24	-14.94%
241	White River	-	2.00%	\$141,953.77	\$159,250.48	12.18%
242	Whitewood	1.00%	2.00%	\$305,566.57	\$308,694.07	1.02%
243	Willow Lake	-	2.00%	\$84,263.04	\$84,834.81	0.68%
244	Wilmot	-	2.00%	\$145,592.57	\$160,362.24	10.14%
245	Winner	1.00%	2.00%	\$1,776,321.31	\$1,797,615.33	1.20%
246	Witten	-	2.00%	\$7,576.39	\$7,708.78	1.75%
247	Wolsey	-	2.00%	\$140,741.70	\$149,820.87	6.45%
248	Wood	-	2.00%	\$10,926.22	\$14,388.61	31.69%
249	Woonsocket	-	2.00%	\$222,038.92	\$241,435.03	8.74%
250	Worthing	1.00%	2.00%	\$133,873.18	\$137,163.01	2.46%
251	Yale	-	1.00%	\$12,719.42	\$13,766.61	8.23%
252	Yankton	1.00%	2.00%	\$10,277,763.74	\$10,681,953.19	3.93%

Statewide Totals

During Fiscal Year 2020, \$405,262,621 in municipal taxes were collected throughout the state. This is a 2.77% increase from Fiscal Year 2019's total of \$394,329,730.



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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 Valuation	Owner-Occupied Valuation	Other Valuation	Total Valuation
Aurora	725,126,188	63,736,180	39,185,407	828,047,775
Beadle	1,465,116,086	583,853,203	359,604,918	2,408,574,207
Bennett	198,454,416	31,210,049	18,335,757	248,000,222
Bon Homme	649,785,615	152,194,816	66,602,698	868,583,129
Brookings	1,006,657,345	1,353,175,215	893,324,323	3,253,156,883
Brown	1,805,485,287	1,637,616,579	823,077,598	4,266,179,464
Brule	762,406,672	157,679,093	114,286,852	1,034,372,617
Buffalo	194,506,221	2,644,331	1,799,989	198,950,541
Butte	316,612,892	398,817,495	206,161,788	921,592,175
Campbell	630,822,650	42,159,313	34,432,068	707,414,031
Charles Mix	1,025,364,291	216,208,374	172,951,129	1,414,523,794
Clark	1,105,042,934	130,097,884	64,516,581	1,299,657,399
Clay	579,224,530	397,646,678	241,245,063	1,218,116,271
Codington	680,396,036	1,384,086,361	820,079,595	2,884,561,992
Corson	560,187,837	15,455,312	23,327,048	598,970,197
Custer	152,591,553	682,989,368	412,268,149	1,247,849,070
Davison	460,138,195	807,229,455	591,000,850	1,858,368,500
Day	910,917,001	199,921,501	164,359,563	1,275,198,065
Deuel	691,505,846	159,174,660	85,942,089	936,622,595
Dewey	303,333,080	20,697,000	26,081,648	350,111,728
Douglas	503,985,025	61,326,517	29,967,690	595,279,232
Edmunds	1,045,745,528	130,887,101	113,860,087	1,290,492,716
Fall River	153,583,020	296,275,200	183,447,100	633,305,320
Faulk	968,980,200	36,900,071	20,528,710	1,026,408,981
Grant	672,306,526	228,561,252	126,815,481	1,027,683,259
Gregory	494,931,666	113,793,880	69,652,401	678,377,947
Haakon	489,073,271	51,669,392	49,141,271	589,883,934
Hamlin	726,175,411	272,892,947	203,056,231	1,202,124,589
Hand	1,395,579,201	92,830,656	62,158,693	1,550,568,550
Hanson	493,597,055	135,557,061	43,361,685	672,515,801
Harding	299,313,418	33,259,050	49,720,423	382,292,891
Hughes	442,107,180	845,594,173	463,937,591	1,751,638,944
Hutchinson	1,078,310,182	197,718,273	85,704,890	1,361,733,345

County	Ag Valuation	Owner-Occupied Valuation	Other Valuation	Total Valuation
Hyde	623,005,619	28,776,168	27,911,734	679,693,521
Jackson	291,639,404	25,618,408	22,737,650	339,995,462
Jerauld	484,554,069	44,396,972	39,625,239	568,576,280
Jones	294,760,179	20,509,492	22,168,272	337,437,943
Kingsbury	1,097,615,814	183,999,507	102,223,160	1,383,838,481
Lake	779,862,870	567,337,125	336,029,910	1,683,229,905
Lawrence	66,782,611	1,483,069,059	1,322,148,635	2,872,000,305
Lincoln	737,499,702	4,462,843,592	1,785,744,391	6,986,087,685
Lyman	659,078,983	64,504,179	82,464,540	806,047,702
Marshall	795,074,885	176,928,176	107,088,852	1,079,091,913
Mc Cook	774,703,230	215,490,923	64,474,225	1,054,668,378
Mc Pherson	681,837,256	50,185,087	18,755,253	750,777,596
Meade	584,789,289	1,432,935,430	540,791,645	2,558,516,364
Mellette	222,803,400	17,038,556	10,808,204	250,650,160
Miner	658,904,344	47,175,920	24,081,657	730,161,921
Minnehaha	889,389,509	9,787,642,846	6,388,931,049	17,065,963,404
Moody	793,672,162	225,747,123	64,082,231	1,083,501,516
Oglala Lakota	46,543,680	3,469,350	6,783,140	56,796,170
Pennington	389,418,044	5,658,770,279	4,051,233,539	10,099,421,862
Perkins	639,932,949	63,569,623	50,280,871	753,783,443
Potter	748,475,995	69,145,820	58,143,095	875,764,910
Roberts	936,042,702	205,627,350	147,827,255	1,289,497,307
Sanborn	553,118,742	52,824,026	22,512,972	628,455,740
Spink	1,763,888,309	180,680,834	120,063,616	2,064,632,759
Stanley	313,738,046	178,132,885	103,904,327	595,775,258
Sully	862,523,513	57,650,185	99,933,430	1,020,107,128
Todd	177,267,000	14,150,477	17,355,003	208,772,480
Tripp	855,196,396	122,566,043	87,686,063	1,065,448,502
Turner	873,473,515	405,377,892	165,608,325	1,444,459,732
Union	644,316,234	1,066,033,647	426,490,728	2,136,840,609
Walworth	564,903,625	162,061,349	108,683,812	835,648,786
Yankton	644,334,991	992,429,228	498,744,206	2,135,508,425
Ziebach	312,010,186	4,013,227	7,993,157	324,016,570

Figures listed are 2020 valuations for taxes payable in 2021.

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
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
2020	375,178,898	26.01	570,688,126	39.56	427,624,967	29.64	37,578,156	2.60	31,592,024	2.19	1,442,662,171

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
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
2020	385,580,612	26.73	195,328,188	13.54	806,961,448	55.94	23,199,899	1.61	31,592,024	2.19	1,442,662,171

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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

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