



Winter 2022

**SOUTH DAKOTA  
DEPARTMENT OF REVENUE  
NEWSLETTER**



**Message From Secretary Jim Terwilliger**

Greetings from the South Dakota Department of Revenue!

We are now well into the new year and tax related deadlines will be here before you know it. Relief programs are available to South Dakota residents, including the property tax relief program, which has an upcoming deadline of March 15.

I encourage everyone to try out a DMV Now Kiosk this year. With multiple locations throughout the state, you can complete numerous functions on this handy machine in minutes. Once you have used, we are sure you will want to tell your friends and family!

Our cold South Dakota winters allow many of us to enjoy outdoor activities, especially out on the water. Check out page three to ensure that your outdoor winter equipment is licensed properly.

As I stated above, now is tax time and with that, unfortunately, we hear about many scams. Please stay vigilant this tax season and read page 4 on how to ensure you and your information stays protected.

We have streamlined our process and have new information for cities submitting boundary and address changes on page 4. It is important DOR receives this information so businesses are remitting the correct taxes.

Are you a crane operator? We know that taxes can be confusing, page 5 provides some clarification for businesses who rent and operate cranes. Also on page 5, important due dates for you to keep on your radar.

Please stay engaged with us on social media for important news, deadlines and information on the great resources DOR provides.

I think it is important to highlight, the many great services provided by DOR. Page 6 highlights a few of these services our department provides. DOR is here to serve you!

Don't hesitate to contact our dedicated team for any questions. We hope you enjoy this edition of our newsletter.



## Property Tax Relief Deadline Owner-Occupied Status Approaching



Homeowners and contractors have until March 15 to apply for property tax relief through the owner-occupied program.

Any South Dakotan who owned and occupied a home on November 1, 2021, is eligible for this classification and its property tax reduction. Taxpayers who have previously received this reduction and still own and occupy the same home will continue to receive the property tax reduction without applying.

The 2022 valuation notices sent to taxpayers beginning March 1, 2022, indicate if the property classification is owner-occupied. Homeowners are advised to check their notices to ensure their property is classified as owner-occupied.

Taxpayers who have purchased or built a home prior to November 1, 2021, may apply for this classification through their local county director of equalization. The form can be submitted electronically through the Department of Revenue website at <https://sddor.seamlessdocs.com/f/3001>.

Contractors may qualify for up to four single-family dwellings. If you are a contractor, please complete the form located at <https://sddor.seamlessdocs.com/f/3002>.

If applicants have questions about the owner-occupied program, they are encouraged to contact their local county director of equalization or call the Department of Revenue's property tax division at 605-773-3311.



South Dakota is one of seven states that does not impose a state income tax. South Dakota also does not have corporate tax.

Several states are requiring a 1099 NEC form to report non-employee compensation. This form is an IRS Form. If the Department of Revenue wants to review a 1099 NEC form, we will reach out to individuals and request it.

If you have questions regarding your federal tax return, W-2, or stimulus checks please contact the Internal Revenue Service (IRS) at 1 (800) 829-1040 or visit their website at: <https://www.irs.gov/>.

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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

# ENSURE YOUR OUTDOOR WINTER EQUIPMENT IS LICENSED PROPERLY



South Dakota winters always seem to throw surprises at us. But no matter what weather we are dealt, the South Dakota Department of Revenue still wants to make sure your outdoor winter equipment is licensed properly.

## Fish Houses

Fish houses, ice castles, ice shacks; regardless of what you call it, it is important to know if you need to license your fishing equipment. If your mobile ice house is built onto a trailer and it is not removable from the trailer itself, this must be titled and licensed. If your ice house can be taken off of the trailer, it does not need to be licensed. However, do not forget that the trailer you use to haul your ice house to where the big fish are, will still need to be titled and licensed. [Apply for a license.](#)

## Game, Fish & Parks Reminds Fisherman

Each fish house, shanty, or other shelter utilized on the ice for the purpose of ice fishing or spearing must display the name and address of the owner in letters at least two inches tall on the outside of the shelter. Portable shelters removed from the ice daily are exempt from the marking requirements. Shelter doors must permit entry at all times, except when unoccupied and locked from the outside. Shelters must be removed from the ice by midnight on the

last day of February, statewide. Shelters may be used after the removal date if removed from the ice daily.

## Snowmobiles

If your snowmobile is used on public land, private land, or any frozen public waters within territorial limits of South Dakota, it must be licensed. Do you have a motorcycle you are using as a snowmobile? Keep in mind, a motorcycle must be titled as a motorcycle. The title cannot be converted to a snowmobile title. If you do change the motorcycle to a snowmobile, it must comply with the definition of "an engine-driven vehicle which uses sled type runners or skis with an endless belt tread, or similar means of contact, with the surface upon which it is operated and the vehicle does not exceed 48 inches in width." If these requirements are met, you will need an annual permit issued by the Department of Game, Fish, and Parks, in order to use your motorcycle as a snowmobile. [Apply for a license.](#)

## Skid-steer Loaders

Did you know skid-steer loaders **do not require** a motor vehicle title or license? However, they are subject to sales tax. If you are conducting a snow removal business, you will need to apply for a sales tax license with our Business Tax Division. For more information, please call [\(800\) 829-9188](tel:8008299188), option 1.

## The More You Know: Credit Card Processing Fees

Whenever you swipe your credit card, there is a processing fee associated with that swipe. Many businesses want to know what they can charge to recoup the credit card processing fees they have to pay. To answer that question, taxpayers need to look at the Attorney General's office for rules on what rate they can

charge. <https://consumer.sd.gov/fastfacts/credit.aspx> (credit card fee section)

**Please note** that if a business owner charges a fee to their customer, it is sales taxable.





### Stay vigilant this tax season and watch out for tax scams

The Department of Revenue (DOR) has been contacted by several taxpayers who have been misled by scam artists. Individuals are being sent both fake tax information and collection letters claiming to be from the IRS and the Tax Assessment Securities, Seizure Unit B that are marked as "Time Sensitive Tax Information Enclosed."

Phishing scams come in many forms such as phone calls, texts and emails, but these types of communication are often just trying to capture your personal information. These phishers can be quite clever, sending letters and emails that appear to contain the DOR or IRS logo or making calls that may even seem to be coming from the DOR or IRS.

Don't open any links or attachments to the emails and don't answer the calls. Also, don't be alarmed if the caller leaves a threatening voicemail, either asking for personal information, such as your bank account information, Social Security number or informing you of some debts you supposedly owe to the IRS that must be taken care of "right now."

Please be aware of scam artists trying to access your personal information and claiming to be IRS or revenue agents this tax season. The DOR, the IRS and your county treasurer will not initiate contact with you by phone, email, text message or social media to request personal or financial information, or to inquire about issues pertaining to your tax returns or property taxes. Instead, the agency will first send you a letter. And if you're unsure of the legitimacy of such a letter, contact the IRS, DOR or your county treasurer directly.

If you have questions regarding your federal tax return or W-2 please contact the Internal Revenue Service (IRS) at 1(800) 829-1040 or visit their website at: <https://www.irs.gov/>.

If you have questions regarding your business tax license, contact our Business Tax Division directly 1 (800) 829-9188, option 1 or visit our website at <https://www.dor.sd.gov>.

### Cities Submitting Boundary and Address Changes

To ensure your city's municipal tax revenue is being collected accurately it is vital that the State Department of Revenue has the most current city boundaries and all addresses within those boundaries. When a city has a boundary change, a street or address change, or additional addresses created, the city must notify the Department of Revenue.

Notices of annexations and address changes or additions can now be submitted through the Department's website, "[Notice of Annexation](#)" and "[Notice of New or Updated Addresses](#)". These links take you to the corresponding form to complete and allows you to upload all necessary documents regarding boundary changes and address updates.

**City Boundary Changes** - When submitting a boundary change you will need to include (preferably PDF or Excel formats):

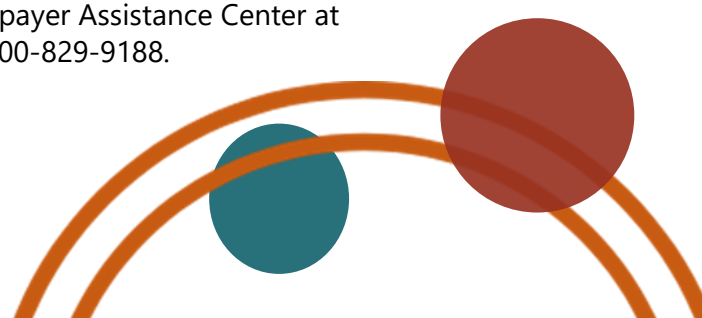
- Copy of the resolution or amendment
- Updated city boundary map (aerial map is preferred)
- List of addresses within the annexed area.

**Address Updates** - When submitting address updates, you will need to include (preferably PDF or Excel Formats):

- List of the addresses
  - ◊ indicate if these are new addresses, corrected addresses or updated addresses
- Map of address locations (aerial map is preferred)

The Department of Revenue wants to ensure your city is receiving the city tax you are due. This can only happen with your continuous assistance to ensure the department's information is accurate.

More information regarding municipal sales tax can be found on our website at <https://dor.sd.gov/businesses/taxes/municipal-tax/>, or by call our Taxpayer Assistance Center at 1-800-829-9188.



## Be in the Know on Crane Operations

Tax liability on the operation of a crane can be a confusing topic. It comes down to asking detailed questions about the type of work being done and determining what the contract is specifically for. The rental of a crane without an operator is a rental of equipment subject to sales tax based on where the crane is picked up or delivered. The rental of a crane with an operator *may* be subject to sales tax or contractor's excise tax depending on what is done by the crane and operator. The crane operator's contract determines the tax for the crane service.

If the crane operator's contract is to move items or place items in a specific location but does NOT include any connections, installation, or affixing to real property, the crane service is subject to sales tax. This applies regardless of the size of the object being moved or placed. For example, if a prime contractor hires a crane operator to unload rafters and stockpile them only, this service would be subject to sales tax.



If the crane operator's contract includes connections, installation or affixing to real property, the contract is subject to contractor's excise tax. An example of this would be if a prime contractor hires a crane operator to place and attach the rafters.

If you are ever unsure on how the tax would apply for your project please contact the Department of Revenue with facts of the transaction and we can assist in determining the correct tax liability.

## Due Dates

Tax Return	Due Date
February	02/22/2022
March	03/21/2022
April	04/20/2022
May	05/20/2022

## 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.

**February** – C/D/E

**March** – F/G/J

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

## ENGAGE WITH US TODAY

Follow  
Us



# Services Provided by DOR

here to  
serve!



**Direct Shipper Lookup:** Verify a winery has an active Direct Shipper license in South Dakota.



**Apply Online:** Complete an application, renew, or apply for a tax license. License availability includes Department of Revenue and South Dakota Lottery.



**Live Chat:** Speak with one of our Department of Revenue employees on Live Chat. Answer your questions in minutes!



**Tax Match:** Look up a sales tax rate based on an address. This application provides a breakdown of both state and local taxes that may apply.



**EPath:** File and pay the following taxes online: 911 Emergency Surcharge, Bank Franchise Tax, Contractors Excise Tax, Sales and Use Tax, and Motor Fuel Tax.



**Tax Education:** Sign up for seminars, request a custom seminar to meet your organization's needs, or request a speaker.



**Motor Fuel License Search:** Search for active motor fuel licensees in South Dakota.



**Form Submissions:** Fill out and print or submit your forms directly to your county office or Department of Revenue.



**MySDcars:** Renew your vehicle registration, decals, and license plates. Purchase new plates, update your address, opt in for email notifications, find an estimated renewal cost, report the sale of a vehicle, or print a seller's permit.