

Summer
2023

SOUTH DAKOTA
DEPARTMENT OF REVENUE
NEWSLETTER



Message From Secretary Michael Houdyshell

Greetings from the South Dakota Department of Revenue! Hopefully you are having a great summer.

The summer months are always an exciting time at the Department of Revenue, thanks in part to events such as the Sturgis Motorcycle Rally. Although this event takes place over ten days during the summer, our staff works year-long to prepare.

Each year, our staff partners with local governments and vendors to ensure all tax matters are handled smoothly. Thanks to these partnerships and preparation, we had another successful year in Sturgis. For specific revenue and vendor statistics, please see Page 3.

The summer months also mean upcoming deadlines. Whether it's the state's buffer strip program, vehicle registration, or tax filing deadlines, please see this newsletter for important dates that may apply to you.

In addition, our staff remains committed to providing the best customer service possible. We are also

committed to making things easier for the customers we serve. This customer-oriented approach includes giving our stakeholders opportunities to interact when it's most convenient for them. We have achieved this when it comes to motor vehicle registration renewal, thanks in part to our twenty-one self-service terminals highlighted on Page 4.

Not sure what to expect when the South Dakota Department of Revenue performs an audit? See Page 5 to read about the process.

As summer comes to a close, our attention shifts to the last few months of the year. With holiday seasons just around the corner, holiday craft fairs are coming. DOR would like to remind event organizers and vendors of their tax responsibilities when organizing and selling at these shows (Page 6).

As always, please contact our dedicated staff if we can provide any assistance to you. We hope you enjoy this Summer 2023 edition of our newsletter!

Buffer Strips Tax Incentive Deadline Approaches

South Dakotans who own land with eligible riparian buffer strips have until **October 15** to apply for a property tax incentive. Applications are submitted to the Director of Equalization in the county where the property is located. Eligible applicants will receive tax relief for their 2024 assessment--taxes payable 2025.

To be eligible, applicants must meet the following requirements:

- Land must meet the criteria for agricultural classification for purposes of taxation.
- Only land that is adjoining qualified lakes and streams is eligible to be enrolled in the program. Maps of all qualified lakes and streams for every county can be accessed at: <http://denr.sd.gov/datagis.aspx>.
- A Board of County Commissioners, by resolution, may add qualifying lands not included in the link above.
- The land must consist of existing or planted perennial vegetation.
- The buffer strip has to be a minimum of 50 feet wide and can be a maximum of 120 feet wide. The measurement starts at the top of the bank or where the vegetation starts, whichever is closer to the water.
- The vegetation cannot be harvested or mowed before July 10. A minimum of 4 inches of vegetation must be maintained at all times.
- The land cannot be grazed during the months of May through September.

Please note that landowners must apply annually to receive this incentive.

To complete an application, [click here](#).



INSIDE

New Forms Solution
Riparian Buffer Strips
Sturgis Motorcycle Rally
Due Dates
Self-Service Terminals
Upcoming Tax Seminars
What to expect from an Audit
Holiday Craft Shows
DOR Publications

CONTACT US

SD Department of Revenue

445 E Capitol Avenue Pierre, SD 57501

Website: <http://dor.sd.gov>

Phone: 605-773-3311

Taxpayer Assistance Center: 1-800-829-9188

Motor Vehicles: 605-773-3541

SD Lottery: 605-773-5770

Due Dates

Tax Return	Due Date
August	09/20/2023
September	10/20/2023
October	11/20/2023
November	12/20/2023
December	1/22/2024

Please follow, like & comment on social media! Share DOR!



2023

Sturgis Motorcycle Rally

COLLECTIONS

\$1.44 MILLION

↓ 6% Below 2022

BY TAX TYPE



- State Sales Tax (%) \$ 818,783
- Municipal Tax (%) \$ 353,883
- Tourism Tax (%) \$ 273,859

BY REGION



- Northern Hills \$ 1,075,750
- Southern Hills \$ 363,104

BY YEAR



BY YEAR



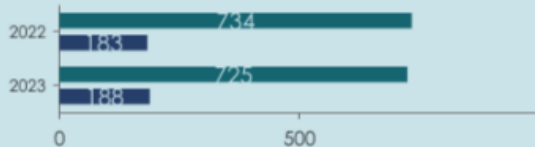
HB1137 reduced the state tax rate from 4.5% to 4.2% effective July 1, 2023

VENDORS

913



BY REGION



Wondering What Your Tax Rates Are? Look Up Your Rates With



Sales Tax Rate Lookup

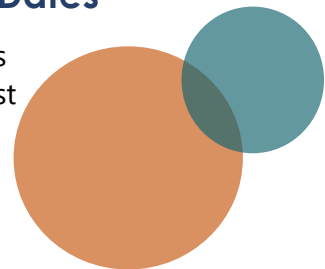
Motor Vehicle Registration Dates

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

September– S

November– T/U/V/W/X/Y/Z

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



DMV Now Self-Service Terminals

Do you want to renew your vehicle registrations outside of normal office hours? If so, our self-service terminals may be your preferred way to renew. Self-service terminals are conveniently located across the state, giving South Dakotans the ability to renew their registrations on the go. Vehicle owners print their registration cards and plate stickers on the spot in less than five minutes!

There are currently twenty-one self-service terminals. To use a self-service terminal, customers simply need a South Dakota driver's license or identification card, along with a valid credit or debit card (Visa, Mastercard, and Discover.) Vehicle owners may renew at a self-service terminal within 90 days of their registration deadline and up to nine months after.

In addition to self-service terminals, South Dakotans may renew their vehicle registrations online at <http://mysdcars.sd.gov> or in-person by visiting their local county treasurer's office. For more information on these methods of renewal, [click here](#).

Renew in 5 easy steps!



1

Select Begin then review the requirements

2

Scan your SD driver's license or ID card



3

Verify your address and select the vehicles you wish to renew



4

Review the summary and make your payment



5

Take your registration card/stickers and your receipt.



Upcoming Tax Seminars

Date	Topic	Location
September 26	Basic Tax Seminar— Sales Tax	Online
September 28	Basic Tax Seminar— Contractor's Excise Tax	Online
October 24	ND/SD Border Tax— Sales Tax	Online
October 24	ND/SD Border Tax— Construction Contractors	Online
November 2	MN/SD Border Tax— Sales Tax	Online
November 9	MN/SD Border Tax— Construction Contractors	Online
December 5	Basic Tax Seminar— Sales Tax	Online
December 7	Basic Tax Seminar— Contractor's Excise Tax	Online

[All seminars are free to attend. To register, request a presentation, or view a complete schedule, click here.](#)



CLICK HERE FOR
A COMPLETE LIST
OF LOCATIONS



What to expect from a Department of Revenue Audit

Taxpayers are audited on a periodic basis to ensure compliance with State laws. If your business is selected for audit, here is what you can expect.

Before:

An auditor will contact you to inform you of the audit and the reporting periods that will be audited. The auditor will ask questions about who the point of contact is and where the business records are kept. The auditor will describe the documents that must be available for examination and then select a date that works for both parties to commence the audit. After the initial contact, you will receive a follow-up letter summarizing your conversation along with an official Notice of Intent to audit (NOI) that lists the license(s) and information discussed above. The commencement date generally is at least thirty days after you are notified of the audit to allow you to gather the records necessary. If you would like to expedite the process, you may waive your right to the thirty-day wait period by signing the bottom of the NOI and returning it to the auditor.

During:

When the audit commences, the auditor will meet with you to discuss the audit procedures and gather an understanding of your business practices.

Then the auditor will review the data provided, and

may request additional documentation. You will have sixty days to furnish any additional documentation to the auditor.

When all records have been reviewed, your auditor will provide you with a detailed list of the items discovered during the audit. If a sample was done, your auditor will explain how the error rate was computed and applied to your returns to calculate the total underpayment or overpayment tax. You will be given an opportunity to provide any additional documentation supporting your original treatment of any listing.

After:

After completing the audit and closing conferences, the auditor will send you a Certificate of Assessment (COA) via certified mail.

The COA will list the licenses audited, the audit period, and the amount of overpayment to be applied to later returns or the amount of tax and interest owed. If you believe all or part of an assessment is based on an error of fact or mistake of law, you may request a hearing in writing within 60 days of the COA. Audit payments are due within sixty days of the COA date unless other arrangements are made.

Holiday Craft Shows

'Tis the season! Warm days are still in the forecast, but holiday craft fairs are just around the corner. DOR would like to remind event organizers and vendors of their tax responsibilities when organizing and selling at these shows.

Craft fairs and vendor shows are considered *special events* and all sales are subject to tourism tax, state sales tax, and municipal sales tax.



Event Organizers

Any organizer of a craft fair should notify DOR about the event. The department will provide tax information and tax return forms for the vendors attending the event. The event organizer is responsible for remitting any applicable sales tax on charges for admissions, booth rentals, and other vendor fees.

Vendors

Craft fair vendors are not required to have a permanent sales tax license. They will file the special event return that the event organizer provides. Vendors with a permanent South Dakota sales tax license should report the special event sales on their next sales tax return and not on the return provided by the organizer. If you did not receive a special event return, please call us at 800-829-9188 and we can provide you with a copy.

Learn more about craft fairs in the Special Events Tax Fact found [here](#).

DOR ONLINE PUBLICATIONS

DOR has a wealth of online publications and resources to help and inform you!



Annual Reports: Wondering where your tax dollars go or how much tax revenue is generated each year? Review years of reports online!



Brochures: Property tax relief program brochures explain the different relief programs and eligibility requirements.



Guides: Check out the DOR guides for detailed information about sales and use tax, municipal tax, and excise tax.



Newsletters: The DOR newsletter is educational and includes deadlines, timely issues, statistics, and department news. Read the newsletter but missed an issue? Several years of newsletters are on the DOR website.



TaxFacts: Learn how tax is applied to different industries, services, and products. Over 100 tax facts cover a range of topics, such as accountants, agriculture services, beauty salons, hotels, motor vehicles, prepared food, and veterinarians.

FIND THESE PUBLICATIONS
ONLINE AT [HTTPS://DOR.SD.GOV/](https://dor.sd.gov/)