

A man and a woman, both wearing aprons, are smiling and looking at a tablet together in what appears to be a bakery or cafe. In the background, there are shelves with various items and a display case with cakes in the foreground.

Fall
2019

**SOUTH DAKOTA
DEPARTMENT OF REVENUE
NEWSLETTER**



Message From Secretary Jim Terwilliger

Greetings from the South Dakota Department of Revenue! I hope you are staying warm as we prepare for the winter months.

This fall has been an exciting one for the Department of Revenue thanks in part to two key pieces of new technology.

The Department of Revenue's website is a resource to hundreds of thousands of individuals, businesses, and county officials on a monthly basis, and that resource now has a new look. We were pleased to debut our first website re-design in nearly a decade on October 30, and we are confident that it will take our customer service to an even greater level.

The new website features a wide-array of features that will make your visit to <https://dor.sd.gov> more convenient. This includes expanded live chat, a fully-functional search engine, and a modern look. You can read more about the new website on Page 3 of this newsletter.

The South Dakota Lottery also welcomed new technology as it converted to its new lotto system. This new system will provide many new features and opportunities for not only us, but also our retailers and players.

Each of these projects were years in the making, and we thank all of our partners who assisted us.

While those projects are complete, our Motor Vehicle Division is working swiftly to implement an update to a Federal regulation on odometer readings. While this change won't affect all of our vehicle owners, please see Page 5 for information on this regulation.

This edition of the newsletter also includes some tips to protect yourself from scams related to audits, due dates, deadlines, and more!

As always, please contact our dedicated staff if we can provide any assistance to you. We hope you enjoy this edition of our newsletter, and we wish you a happy holiday season!

Municipal Tax Rates Go Unchanged

All South Dakota municipal sales tax rates will remain the same on January 1, 2020.

South Dakota municipalities may implement new tax rates or change existing tax rates January 1 or July 1 each year.

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

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



Is Your Audit Inquiry Valid or A Scam?

These days we all hear about scams more frequently than we'd like to. While receiving a notice for an audit is no cause for an alarm, getting a non-authentic notice from parties other than the Department of Revenue can be a cause for concern.

Use these tips to ensure any tax or audit inquiry you may receive is legitimate:

- A Notice of Intent to Audit letter will arrive to you listing your correct license number registered with the DOR. Additionally, all DOR notifications will come in an envelope with the correct DOR logo on the stationary.
- If the inquiry is in person, ask to see an Identification Card! Each DOR employee has a photo Identification Card issued to them with the correct DOR logo.
- DO NOT be fooled by outside interests that claim to collect taxes or assist with audits on behalf of the DOR. Under SDCL 10-52-4, the administration or audit of municipal taxes shall be by the DOR only.
- When in doubt, pick up the phone and call our 1-800 number to verify that the person contacting you is a current and legitimate DOR employee. (1-800-829-9188)

If you feel that an inquiry you received is a scam, [please report it to the South Dakota Attorney General's Office.](#)

Apply for Owner-Occupied Status Today

If you own property that is your primary residence, you can claim owner-occupied status.

Certification of owner-occupied dwelling must be submitted annual to your local County Director of Equalization by March 15.

Best of all, you can now complete the application electronically! [Click here to get started.](#)

Follow us on Social Media!



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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

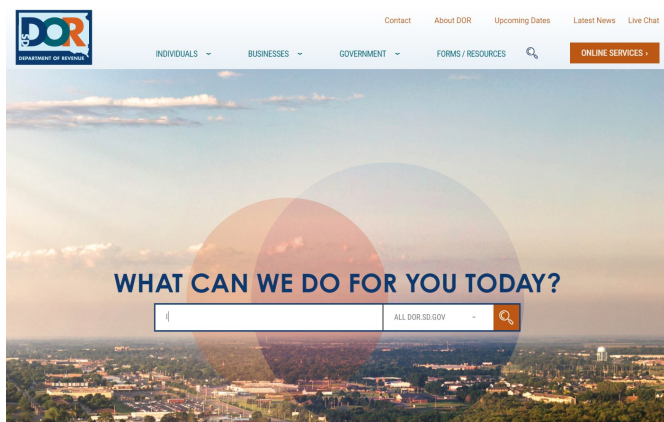
SD Lottery: 605-773-5770

Gaming Commission: 605-773-6050

Check Out Our New Website!

In order to better serve our customers and partners, the South Dakota Department of Revenue has launched a new website.

The website re-design is our first in nearly a decade. While the new design provides a modern look, it also has several new features that will make the information you are looking for much easier to find.



New Features

- **Robust Search Function** - Type in keywords and we'll serve the content you need in real time.
- **Mobile-Friendly Design** - Take us on the go, just like you've always wanted.
- **Streamlined Menus**- Whether you're an individual, business owner or government partner, you will quickly find the information that applies to you.
- **Improved Live Chat** – You may now get in touch

with one of our motor vehicle experts with just a click of your mouse.

- **Electronic Forms** - Submit many of our applications and forms with the click of a mouse.
- **Improved Calendar and Newsroom** – Whether it's an important deadline or best practices, you can easily access the latest news and upcoming events from the department.

How We Got Here

The Department of Revenue's website redesign didn't get completed overnight, and we weren't alone. In partnership with Lawrence & Schiller, we received feedback from individuals, businesses, and county officials on how we could better serve them.

This feedback was invaluable as it built the foundations to the new site. We followed up with testing for many of these parties, which put the finishing touches to the new site. We thank all our partners who assisted us in building the new site.



Click the Video Thumbnail for more information!



Lottery Converts To New Lotto System

The South Dakota Lottery recently completed its conversion to a new lotto system!

The new system, which was implemented in partnership with International Game Technology (IGT), will provide the Lottery, retailers, and players with exciting new opportunities.

The new system was successfully rolled out in early November, and includes items such as the new Retailer Pro terminal (pictured). The new system will also feature other new elements, such as the ability to scan lotto tickets in the Lottery's mobile app, that will enhance the lotto experience for both retailers and players.

Lottery Annual Report Online

The SD Lottery enjoyed a historic Fiscal Year 2019, which included record-setting instant ticket and video lottery numbers!

[Get the scoop on this and much more by reading the Lottery's annual report.](#)

Due Dates

Tax Return	Due Date
October	11/20/2019
November	12/20/2019
December	01/21/2020

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.

November– T/U/V/W/X/Y/Z

January – A/B

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



Commission on Gaming Names Susan Christian Executive Secretary

The South Dakota Commission on Gaming has a familiar face as its next executive secretary as Susan Christian has been selected.

Susan had served as the acting executive secretary since January 2019 after Larry Eliason's retirement. Prior to her new capacity, Susan served as the Commission on Gaming's operations manager since 2005 after joining the commission in 2002 as a staff auditor.

Susan brings a wealth of knowledge to her new position, as she's been employed in the gaming industry since 1990 and holds B.S. in Business Administration with an Accounting Emphasis from Black Hills State University.

Susan is a native of Deadwood and an alum of Lead High School. She has one daughter, Cathy Ann and two granddaughters, Edison and Dorian, who live in Helena, Mont.

Don't Forget To File Your Returns This Holiday Season

Did you know that November returns have one of the highest delinquency rates?

We all get busy during the holiday season, and filing your tax return is just one more thing to remember. Take a few minutes today to file your return and check one more item off that long holiday to-do list. Remember, the due date is December 20.

And don't forget, if you file your sales tax returns online and on time, you could receive a collection allowance! [Click here to get started.](#)

Never Miss A Due Date With Our New Calendar Feature!

One of the many new features of our website is our calendar page!

This new webpage is your one-stop shop for items such as office hours, due dates and deadlines, educational seminars, and much more!

[Click here to access the new DOR Calendar.](#)

Odometer Reading Policy Update

The National Highway Traffic Safety Administration (NHTSA) is changing a mileage disclosure policy that could affect some South Dakotans.

What is Changing?

The NHTSA is amending its mileage disclosure exemption to vehicles that are **20-years-old or older**.

Previously, this exemption applied to vehicles that were 10-years-old or older.

When Does The New Rule Take Effect?

The new rule regarding the odometer disclosure exemption will take effect **December 31, 2019**.

Why did NHTSA introduce this new ruling?

Current law does not require odometer disclosure with the transfer of vehicles at least 10 model years old. Due to the current average vehicle age of almost 12 years, an increasingly large proportion of the fleet is subject to a heightened risk of odometer fraud. To accommodate older vehicles, the final rule will require odometer disclosures until vehicles are 20-years-old.

How Does The Change Affect Me?

The change will only affect those who are transferring a motor vehicle title.

If you are a motor vehicle dealer or a private citizen completing a sale, please be sure to complete the odometer reading pictured, if the vehicle is less

than 20-years old.

While current motor vehicle titles indicate that this must be done for vehicles less than 10-years-old, the 20-year law still applies to these titles. Please see the example below.

If the front of your motor vehicle title already notes that the odometer brand is exempt, it will remain exempt. You will not be required to complete the odometer reading on the back of the title.

Questions?

Whether you're a motor vehicle dealer, county partner, or an individual, our dedicated team is here to help!

For assistance, motor vehicle dealers may call us at 605-882-5199 or email us at dealerprogram@state.sd.us.

Individuals and county officials may call 605-773-3541 or email us at motorv@state.sd.us.

Do You Need a SD Sales Tax License?

Determining if your business has an obligation to collect sales tax may seem confusing, but it comes down to one simple question. Does my business have nexus in South Dakota?

What is nexus? Nexus is considered a connection or link. A business can create that connection or link if they have a physical presence in South Dakota or if they have an economic presence in South Dakota.

Examples of physical presence include:

- Business has a physical location in South Dakota.
- Business has salesmen, representatives, truckers, peddlers, or canvassers in South Dakota.
- Business makes deliveries into South Dakota with company vehicles.
- Business provides services in South Dakota.
- Business uses a third party to perform services in South Dakota as contracted by the business.

Economic nexus is created if a business has no physical presence but meets one of the following criteria in the previous or current calendar year:

- Business has gross revenue from sales into South Dakota exceeding \$100,000; or
- Business has 200 or more separate transactions with South Dakota customers.

If your business has nexus in South Dakota, we request that you complete an application for a license at sd.gov/taxapp. If you still have additional questions, please contact us at 800-829-9188 or email us at bustax@state.sd.us

Extra! Extra! Read All About It

Want the latest news from DOR? Whether it's best practices, upcoming events, or due dates and deadlines, our new and improved news section brings you the latest.

[Click here to access the page.](#)

South Dakotans Win Trip to Times Square, chance at \$1 Million



Thanks to a second chance drawing, a pair of South Dakota Lottery players will ring in the new year in New York and could return as a millionaire.

Julie Plunkett of Watertown and Kelly Engen of Brookings were named South Dakota's winners of the New Year's Rockin' Eve promotion. The South Dakota Lottery, along with other lotteries in the U.S., participated in this second chance drawing which allowed players to enter non-winning Powerball tickets.

The prize for the second chance drawing includes an all-expenses paid trip to Times Square for New Year's Eve, as well as entry into an additional drawing to become 2020's first millionaire. The winner of the million-dollar drawing will be announced on ABC's New Year's Rockin' Eve broadcast.

For both Plunkett and Engen, the second chance drawing caught their attention immediately. Engen was browsing the South Dakota Lottery's website to check the winning numbers, while Plunkett's husband, Dale, alerted her of a chance of a lifetime.

"My husband is actually the one who told me about it, and he knew I would be excited," Plunkett said. "Going to New York to watch the ball drop is one of those bucket list things that you think about but never think you'll have the chance to do."

While other South Dakota Lottery players no longer have a shot at ringing in 2020 in Times Square, Engen did offer some advice for his fellow players when it comes to the Lottery's many second chance drawings.

"Get the app and scan your tickets," Engen said. "Don't think you can't win because it can happen."

[More info about our winners can be found on the SD Lottery's website.](#)