



2018 ANNUAL REPORT



Front and back cover photos taken by Department of Revenue Senior Litigation Counsel John Richter

The FY2018 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 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 2018 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 \$5.15 per document.

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A Message From Secretary Gerlach



“ The start date (of remote seller tax collection) was the culmination of the efforts of many, and we can't express enough gratitude towards our stakeholders who made this historic step possible. As the economy continues to evolve, the remote seller law will provide a level playing field for main street businesses throughout the nation. ”

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

I am pleased to report a truly successful year for the Department of Revenue. Fiscal Year 2018 featured significant accomplishments throughout the department as we continue our mission to partner with stakeholders and provide customer-oriented, fair, and reliable revenue administration.

The State of South Dakota's ongoing pursuit of tax fairness became reality in 2018, due to a favorable decision from the Supreme Court of the United States. The decision was followed by a special legislative session, allowing our remote seller law to take effect November 1, 2018. The start date was the culmination of the efforts of many, and we cannot express enough gratitude towards our stakeholders who made this historic step possible. As the economy continues to evolve, the remote seller law will provide a level playing field for main street businesses throughout the nation.

As always, our partnerships paid dividends during the 2018 legislative session. A number of laws are now in effect that modernized our alcohol statutes. Prior to last legislative session, many of our alcohol statutes had not been changed since they were written nearly 80 years ago. South Dakota's alcohol statutes have now been brought into the 21st century, thanks to 13 new laws related to the industry.

A new year will also mean a new look for the Department of Revenue. Throughout this annual report, you will notice new colors and logo as a part of our rebrand. The rebrand will also include a more user-friendly website that will help us provide the best customer service possible. Of course, our rebrand was not completed without help. Individuals, businesses, and local governments aided us by participating in a brand perception survey, and we greatly appreciate their feedback on how we can best serve the citizens of South Dakota.

As we move forward in the new year, we ask "What Can We Do For You Today?"

What Can We Do For You Today?

WE ARE:

- **Visible**
- **Approachable**
- **Responsive**
- **A Trusted Guide**
- **Progressive**



The South Dakota Department of Revenue consistently provides a positive experience by partnering with their customers to understand their needs while guiding them to useful solutions with expertise, easy-to-use online tools and a human touch.

WE WILL

Make it Easy

In all things, we strive to simplify and improve customer experience.

Speak Conversationally

We'll talk to our customers, not lecture to taxpayers.

Be Thoughtful

We'll put ourselves in your shoes.

Be Dependable

We're good at what we do, and you can trust us to guide you.

Evolve

The world changes, and we'll be ready for our customers when it does.

WE WILL NOT

Be Anonymous

Our brand won't blend in a sea of government departments.

Be What You Expected

We'll change your perceptions and be more than you thought we were.

Be Afraid To Smile

We're serious about what we do, but we're also human.

Be Restrictive

Rules are rules, but instead of roadblocks, we'll provide solutions.

Be Secretive

We're here to help, openly and honestly.

Meet our Leadership

Deputy Secretary
David Wiest



Secretary
Andy Gerlach

SECRETARIAT

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

Administration
Toni Richardson



We audit the following tax types:

- Sales and Use
- Municipal
- Contractor's Excise
- Motor Fuel
- Mineral Severance
- Bank Franchise

We identify and resolve errors made in tax reporting.

Audit
Rachel Williams



Chief Legal Counsel
Michael Houdyshell



We provide:

- Routine legal counsel to the department
- Investigative Services Bureau
- Provides legal representation regarding:
 - Audits
 - Jeopardy assessments
 - Relief agency requests
 - Motor vehicle issues
 - Alcohol license issues
 - Tax license revocations

Commission on Gaming
Larry Eliason



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.

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 and alternative tax for commercial wind farms and rural electric tax

Property Tax
Lesley Coyle



Business Tax
Doug Schinkel



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

We provide support to the tribal tax collection agreements.

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

Lottery
Norm Lingle



Motor Vehicles
Lisa Weyer



We process motor vehicle titles and registration and oversee licensed dealers.

We administer:

- International Registration Plan (IRP)
- Unified Carrier Registrations (UCR)
- Commercial and Motor Vehicle Licensing
- International Fuel Tax Agreement (IFTA)

We collect:

- Motor Vehicle Excise Tax
- Vehicle Registration Fees
- Motor Fuel Tax
- Special Fuel Tax

Strategic Plan

Throughout Fiscal Year 2018, all levels of DOR staff collaborated to develop the department's new strategic plan, South Dakota Revenue 2020. Revenue 2020 focuses on four strategic directions, and establishes a new vision for DOR.

SOUTH DAKOTA
REVENUE
2020

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.



Engaging and Developing our TEAM

- Promote Team Building
- Establish a Defined Training and Development Program - Utilizing a Learning Management System
- Broaden Communication Efforts Across the Department
- Develop a Workforce Management Plan

Managing Resources to Maximize Return on Investment

- Increase Voluntary Compliance in Filing & Payments
- Review the Department's Operational Activities for Return on Investment
- Expand Internal Control and Audit Efforts
- Review Initiatives and Activities for Return on Investment
- Increase Usage of Electronic Transaction Options
- Review & Improve Office Security



Leveraging Info through Data Analytics to Support Decision Making

- Establish Standards for Inventory and Use of Department Data
- Increase Lottery Instant Ticket Sales by 10%

Developing and Strengthening the Department's Relationships

- Improve Customer Satisfaction by Using Market Research Data to Implement Customer-Centric Technology Solutions
- Website Redesign & Launch
- Provide Customized Education Opportunities



Our Staff

DOR HAS A STAFF DEDICATED TO PUBLIC SERVICE AND ASSISTING OUR PARTNERS WITH ALL OF THEIR NEEDS.



242 LOYAL EMPLOYEES



3,112 YEARS OF PUBLIC SERVICE



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 organization in which they play a role in.

- Andy Gerlach**, Federation of Tax Administrators
- Larry Eliason**, Association of Racing Commissioners International
- Alison Jares**, Streamlined Sales Tax Project
- Kelsey Johnson**, Streamlined Sales Tax Project
- Chris Keil**, IFTA Clearinghouse Advisory Committee
- Allysen Kerr**, Multistate Tax Commission
- Sandy O'Day**, American Association of Motor Vehicle Administrators
- Norm Lingle**, Multi State Lottery Association
- Kathy Smith**, Multistate Tax Commission
- Monica Weischedel**, American Association of Motor Vehicle Administrators
- Lisa Weyer**, American Association of Motor Vehicle Administrators
- Rachel Williams**, Streamlined Sales Tax Project
- Rob Sheffield**, International Registration Plan Audit Committee
- Russ Hanson**, International Association of Assessing Officers
- Todd Bailey**, International Association of Assessing Officers
- Wendy Semmler**, International Association of Assessing Officers

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.

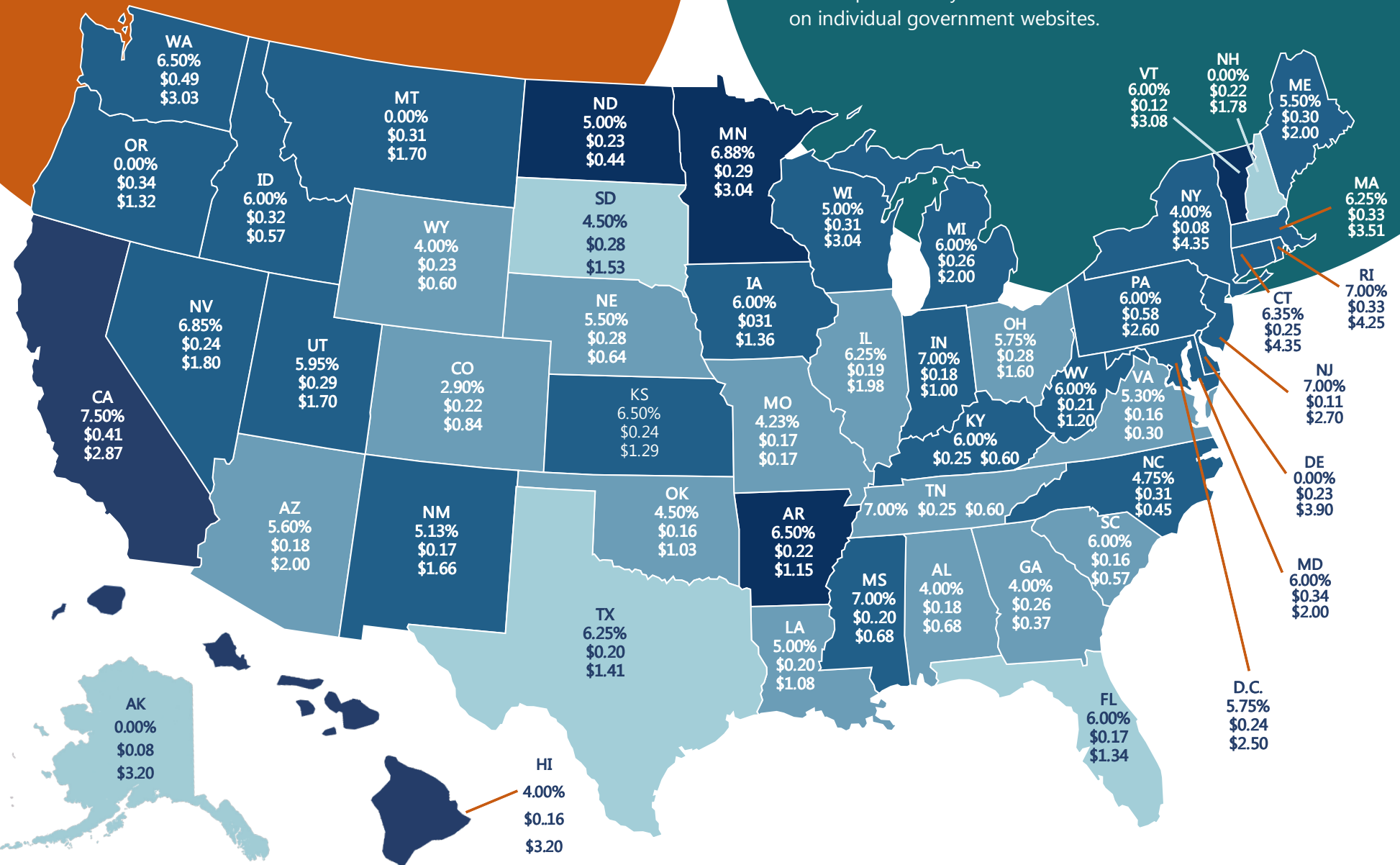
Some of the organizations we've assisted include:

- Salvation Army of Aberdeen
- Twin City Animal Shelter
- Missouri Shores
- Tough Enough to Wear Pink
- United Blood Services
- Cystic Fibrosis Foundation
- Mitchell Safe House
- Children's Home Society
- Capital Area United Way
- Volunteers of America / Mommy's Closet



50-State Comparison

The three figures in each state are, top to bottom, the sales tax rate, the gasoline tax per gallon, and the 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	District of Columbia	\$11,028
2	Vermont	\$ 5,015
3	Hawaii	\$ 4,924
4	Minnesota	\$ 4,590
5	North Dakota	\$ 4,587
6	Arkansas	\$ 3,168
7	Delaware	\$ 3,731
8	West Virginia	\$ 2,804
9	Mississippi	\$ 2,608
10	Maine	\$ 3,168
11	New Mexico	\$ 2,766
12	California	\$ 3,936
13	Kentucky	\$ 2,673
14	Idaho	\$ 2,627
15	New York	\$ 4,014
16	Iowa	\$ 3,101
17	Nevada	\$ 2,877
18	Wisconsin	\$ 3,129
19	Connecticut	\$ 4,555
20	Michigan	\$ 2,874
21	Oregon	\$ 2,876
22	Indiana	\$ 2,708
23	Massachusetts	\$ 4,012
24	Utah	\$ 2,525
25	North Carolina	\$ 2,614
26	Maryland	\$ 3,569
27	Rhode Island	\$ 3,083
28	Washington	\$ 3,240
29	Kansas	\$ 2,806
30	Montana	\$ 2,527
31	New Jersey	\$ 3,590
32	Ohio	\$ 2,599
33	Pennsylvania	\$ 2,956
34	Illinois	\$ 2,967
35	Louisiana	\$ 2,371
36	Alabama	\$ 2,137
37	Nebraska	\$ 2,658
38	Georgia	\$ 2,150
39	Oklahoma	\$ 2,180
40	Wyoming	\$ 2,847
41	South Carolina	\$ 1,956
42	Virginia	\$ 2,623
43	Arizona	\$ 1,979
44	Tennessee	\$ 2,069
45	Missouri	\$ 2,044
46	Colorado	\$ 2,354
47	South Dakota	\$ 2,103
48	Florida	\$ 1,917
49	Texas	\$ 1,894
50	New Hampshire	\$ 1,859
51	Alaska	\$ 1,608

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%	8.98%	\$1.36
Minnesota	\$0.285	6.875%	9.85%	\$3.04
Montana	\$0.315	0.000%	6.90%	\$1.70
Nebraska	\$0.284	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 \$2,103, South Dakota had the fifth lowest per capita state tax burden in 2017, according to the latest figures available from the U.S. Bureau of the Census and Bureau of Economic Analysis. The following is the listing of 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	\$0.417
4	North Carolina	\$0.351
5	Oregon	\$0.340
6	Maryland	\$0.338
7	Rhode Island	\$0.330
8	Idaho	\$0.320
9	Montana	\$0.315
10	Wisconsin	\$0.309

Top-10 Highest Cigarette Tax Rates

1	New York	\$4.350
1	Connecticut	\$4.350
3	Rhode Island	\$4.250
4	Massachusetts	\$3.510
5	Hawaii	\$3.200
6	Vermont	\$3.080
7	Minnesota	\$3.040
8	Washington	\$3.025
9	California	\$2.870
10	New Jersey	\$2.700

Top-10 Highest Sales Tax Rates

1	California	7.500%
2	Indiana	7.000%
2	Mississippi	7.000%
2	Rhode Island	7.000%
2	Tennessee	7.000%
2	New Jersey	7.000%
7	Minnesota	6.875%
8	Nevada	6.850%
9	Arkansas	6.500%
9	Kansas	6.500%
9	Washington	6.500%

2018 Legislation

The South Dakota Legislature passed several bills impacting the activities of the Department of Revenue during the 2018 session.

See a recap of some of the major bills below.

Senate Bills 43 - 44 Updated statutes and established an additional license type to recognize how the gaming industry has changed.

Senate Bill 56 Provided the annual appropriation for the Sales and Property Tax Refund for Senior & Disabled Citizens Program.

Senate Bill 58 Provided form and style revision to tax increment financing (TIF) statutes. Provided clarification on TIF classification and directed the Department of Revenue to provide an annual TIF report.

Senate Bill 90 Revised provisions related to the payment of taxes and fees before transferring title of mobile or manufactured homes.

Senate Bill 97 Created a new women veteran license plate for qualifying individuals. To qualify, the vehicle's owner must be an honorably discharged woman veteran who served on active duty.

House Bill 1066 Clarified statutes related to the issuance of vehicle license plates and stickers.

House Bill 1117 Allowed South Dakotans to utilize an original South Dakota motorcycle license plate.

House Bill 1147 Provided form and style revisions to property tax collection statutes.

House Bill 1195 Authorizes South Dakota counties to refund motor vehicle registration fees to an owner that licensed a vehicle in error.

2018 Alcohol Legislation

As a result of discussions with key stakeholders throughout 2017, a major area of focus during the 2018 legislative session was the modernization and improvement of the state's alcohol beverage laws.

HB 1067 & SB 187:
Wineries

HB 1313: Distilleries and
Cideries

SB 173: Breweries

Manufacturing Bills

- Modernized alcohol manufacturing laws and makes them consistent for all manufacturing license types.
- Created two licensing tiers for each type of manufacturer.
- Adjusted license fees to be consistent with other manufacturing licenses.
- Provided additional privileges to small manufacturers.

Miscellaneous Bills

- **HB 1121:** Revised fees for certain on-sale and off-sale liquor licenses.
- **HB 1146:** Permits passengers to bring their own alcohol for consumption aboard vehicles operated by licensed carriers.
- **HB 1157:** Allows certain alcohol manufacturers and wholesalers to enter into sponsorship agreements with certain alcohol retail licensees.
- **HB 1185:** Authorizes a consumer to store unconsumed bottles of wine on the licensed premises of a licensee that is licensed to sell wine on-sale.
- **SB 169:** Allows any person to produce and/or sell candy or confections containing less than one-half of one percent alcohol by weight.
- **SB 178:** Provides exceptions from alcoholic beverage statutes for events conducted by certain civic, charitable, educational, fraternal, or veterans organizations.

House Bill 1070

Simplified Title 35 by making comprehensive form and style changes. Streamlined the code by repealing and combining statutes.

2018 Special Legislative Session

As a result of a favorable decision from the Supreme Court of the United States (*State of South Dakota v. Wayfair, Overstock.com and Newegg*), Governor Daugaard called a special legislative session to address remote sellers and e-commerce. Below are descriptions of the two bills that were signed into law.

Senate Bill 1

- Removed the injunction against all remote sellers, except the defendants in *South Dakota v. Wayfair*, and clarified how the injunction applies to the defendants.
- Eliminated the State's ability to sue remote sellers as it is no longer necessary.
- Included an emergency clause to be effective on the date of the Governor's signature.
- Allowed South Dakota to require remote sellers to collect and pay sales tax starting on November 1, 2018.

Senate Bill 2

- Defined key terms – marketplace, marketplace provider, marketplace seller.
- Required marketplace providers to collect and pay sales tax on all sales made through the platform if certain thresholds are met. Established a hold harmless provision.
- South Dakota will require marketplace providers to collect and pay sales tax on all sales made through the platform beginning March 1, 2019. Marketplace providers can voluntarily comply at any time prior to March 1, 2019.

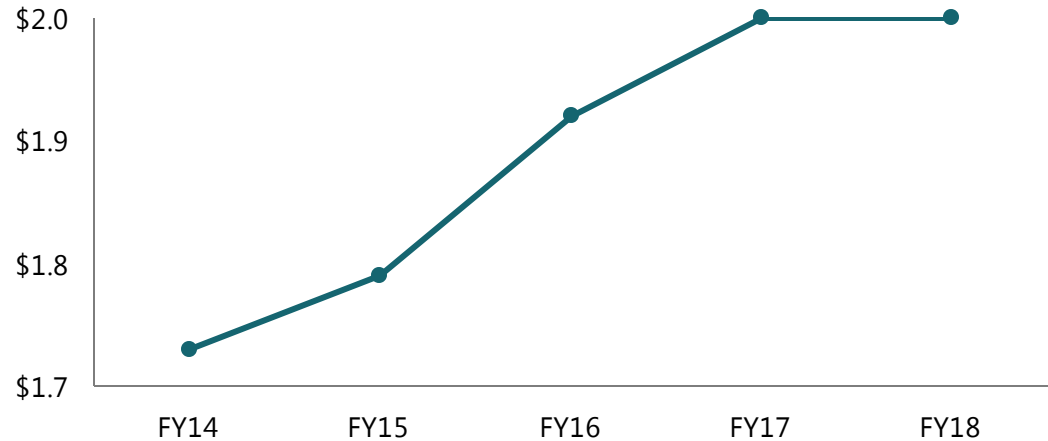
TAX REVENUE SUMMARY

The Department of Revenue is the principal tax collection agency for the State of South Dakota and collects a number of different state taxes. 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 2018
state tax revenue totaled
\$2,073,228,918



up 3.2%
from FY17



Of the total tax revenue collected in fiscal year 2018, 72.0% came from sales, use, and contractor's excise taxes. Motor fuel taxes accounted for 10.1%, motor vehicle taxes 9.5%, special taxes 5.9%, and other taxes and fees 2.4%.

The table below shows a five-year comparison of revenues collected in each category.

Fiscal Year	Sales, Use, and Excise Taxes	Other Taxes and Fees*	Motor Fuel Taxes**	Motor Vehicle Fees***	Special Taxes	Total	Percent Change
2014	\$1,263,804,163	\$39,864,372	\$156,736,026	\$155,471,527	\$112,649,609	\$1,728,525,697	3.7%
2015	\$1,303,995,340	\$43,506,966	\$169,843,878	\$165,401,153	\$111,960,795	\$1,794,708,132	3.8%
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%

Five-Year Average

\$1,369,214,528

\$43,812,098

\$191,897,172

\$181,476,521

\$118,273,021

\$1,904,673,341

* 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

Business Tax

Revenues

Tax Type	FY16	Percent Change	FY17	Percent Change	FY18	Percent Change
Sales and Use - State	\$869,421,055	2.9%	\$958,531,929	10.3%	\$995,997,148	3.9%
Contractor's Excise - State	\$101,496,551	1.4%	\$106,828,537	5.3%	\$107,626,628	0.8%
Sales and Use - Cities	\$363,584,600	4.0%	\$363,700,431	0.0%	\$378,292,963	4.0%
Sales, Use, and Contractor's Excise - Tribal	\$9,918,702	1.7%	\$11,504,882	16.0%	\$11,369,711	-1.2%
Tourism	\$12,902,062	13.1%	\$12,533,888	-2.9%	\$12,967,660	3.5%
911 Emergency/Prepaid Wireless Surcharge	\$13,031,566	-0.1%	\$13,023,564	-0.1%	\$13,188,895	1.3%
Water and Environment Fund	\$28,490	-89.7%	\$34,583	21.4%	\$73,274	111.9%
Intermediate Care Facility	\$1,202,367	-7.7%	\$1,280,698	6.5%	\$1,329,593	3.8%
Reinvestment Program	\$4,306,298	4.5%	\$1,482,381	-65.6%	\$8,858,506	497.6%
Building SD Fund	\$1,550,700	90.0%	\$1,188,207	-23.4%	\$3,758,100	216.3%
Motor Vehicle Leasing Fund	\$1,890,096	4.6%	\$1,991,247	5.4%	\$2,059,784	3.4%
Telecom	\$9,905,527	-7.7%	\$8,883,126	-10.3%	\$8,218,542	-7.5%

Where the Money Went

Tax Type	General Fund	Local Government	Tribes	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	-	-	-	100%

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 units 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 2018, 251 municipalities imposed municipal sales and use taxes. The maximum local tax rate that can be levied in South Dakota is 2%.

Cities may also impose a 1% municipal gross receipts tax (MGRT) which is levied 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, or athletic and cultural events.

Fiscal Year 2018 Changes

Dante and Lake City imposed a 1% general sales and use tax.

Morristown increased its 1% general sales and use tax to 1.5%.

Toronto, Bruce, and McLaughlin increased their 1% general sales and use tax to 2%.

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 tax 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 the tax collection agreement.

Special Jurisdiction	ST Rate	UT Rate	ET Rate	Tourism	FY2017	FY2018	Percent Change
Cheyenne River Sioux Tribe	4.5%	4.5%	2.0%	1.5%	\$3,998,845	\$3,636,827	-9.1%
Crow Creek Sioux Tribe	4.5%	4.5%	2.0%	1.5%	\$454,139	\$576,466	26.9%
Oglala Sioux Tribe	4.5%	4.5%	2.0%	1.5%	\$3,305,773	\$3,377,839	2.2%
Rosebud Sioux Tribe	4.5%	4.5%	2.0%	1.5%	\$2,747,130	\$2,878,469	4.8%
Sisseton-Wahpeton Oyate	-	4.5%	2.0%	-	\$925	\$3,634	293.1%
Standing Rock Sioux Tribe	4.5%	4.5%	2.0%	1.5%	\$997,798	\$895,813	-10.2%
Yankton Sioux Tribe	-	4.5%	2.0%	-	\$273	\$663	143.0%
Totals					\$11,504,882	\$11,369,711	-1.2%

Special Events

Revenue agents license vendors to collect state sales, municipal, and tourism tax at various special events across the state throughout the year. The table below compares tax collected at South Dakota's largest special events during Fiscal Year 2018 to the previous year.

Event	FY2017*	FY2018*	% + / -
Black Hills Stock Show	\$53,278	\$68,397	28.4%
Brookings Arts Festival	\$32,695	\$36,013	10.2%
Brown County Fair	\$33,033	\$35,228	6.6%
South Dakota State Fair	\$190,836	\$205,103	7.5%
Northern Hills Motorcycle Rally**	\$971,453	\$1,029,916	6.0%
Southern Hills Motorcycle Rally***	\$313,143	\$333,947	6.6%
Central States Fair	\$47,168	\$52,609	11.5%
Sioux Empire Fair	\$51,554	\$52,197	1.2%
Spearfish Arts Festival	\$23,502	\$19,993	-14.9%
Totals*	\$1,716,661	\$1,833,402	6.8%

* Total Tax includes state, municipal, municipal gross receipts, and tourism taxes

** Northern Hills Rally includes Meade, Lawrence, and Butte Counties, as well as the cities within those counties

*** Southern Hills Rally includes 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 ensuring tax compliance from temporary vendors, showcasing our electronic means of motor vehicle registration renewal, 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!



Special Tax

Revenues

Tax Type	FY16	Percent Change	FY17	Percent Change	FY18	Percent Change
Cigarette Tax - State	\$54,659,076	8.30%	\$52,992,499	-3.05%	\$49,892,816	-5.85%
Cigarette Tax - Tribal	\$2,268,267	6.57%	\$2,551,715	12.50%	\$2,367,097	-7.24%
Cigarette License Fees	\$12,752	0.58%	\$12,975	1.75%	\$12,450	-4.05%
Other Tobacco Products	\$8,308,637	11.82%	\$8,816,651	6.11%	\$9,264,848	5.08%
Other Tobacco Products - Tribal	\$266,401	11.48%	\$301,326	13.11%	\$302,718	0.46%
Liquor License Fees	\$162,545	25.82%	\$189,420	16.53%	\$211,843	11.84%
Malt Beverage License Fees	\$394,053	14.24%	\$400,640	1.67%	\$383,789	-4.21%
Alcoholic Beverage Brand Registration Fees	\$482,845	21.07%	\$575,931	19.28%	\$626,158	8.72%
Alcohol Beverage Excise Tax	\$14,828,667	3.41%	\$14,978,530	1.01%	\$16,917,664	12.95%
Alcoholic Beverage 2% Purchase Price Tax	\$1,850,515	-0.60%	\$1,954,454	5.62%	\$2,020,940	3.40%
Underage Penalty Fees	\$79,800	-10.76%	\$51,000	-36.09%	\$49,000	-3.92%
Bank Franchise Tax	\$28,558,789	8.80%	\$30,727,618	7.59%	\$32,375,549	5.36%
Precious Metals Tax	\$4,598,759	59.08%	\$7,760,198	68.75%	\$5,243,114	-32.44%
Energy Mineral Tax	\$3,064,999	-38.84%	\$2,415,969	-21.18%	\$2,756,855	14.11%
Coin Laundry License Fees	\$243,044	-2.17%	\$246,450	1.40%	\$244,960	-0.60%
Coin Laundry License Fees - Tribal	\$1,388	-2.73%	\$2,816	102.88%	\$2,528	-10.23%
Amusement Device Fees	\$66,864	-5.09%	\$70,464	5.38%	\$66,876	-5.09%
Bingo License Fees	\$25,000	0.00%	\$32,500	30.00%	\$20,000	-38.46%
Bingo Tax	\$15,183	-24.62%	\$13,384	-11.85%	\$13,374	-0.07%

Direct Wine Shipping

As of January 1, 2016, South Dakota consumers of legal drinking age may have wine shipped directly to their homes from properly licensed in-state and out-of-state wineries. The department receives reports from both the wineries and carriers to ensure compliance with state law. Through June 30, 2018, the following statistics show the initial impact of the new law:

	Sales Tax¹ Revenue	Alcohol Tax Revenue	Direct Shipper License Fees
FY2017	\$149,534	\$40,729	\$43,100
FY2018	\$173,743	\$57,919	\$47,200

1) The sales tax revenue figures are calculated based on the sales tax revenue reported by out-of-state wineries. In-state wineries are not required to separate their direct shipper sales tax revenue from their total sales tax revenue.

Where the Money Went

Tax Type	General Fund	Local Government	Other
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. 95% of the revenue derived from the tax is deposited into the state general fund, while 5% goes to the county where the bank is located. If 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 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.

Audit

The Audit Division is responsible for selecting and performing audits on behalf of the Department of Revenue. The primary purpose of the audit function 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.

Audits, Assessments, and Revenues*

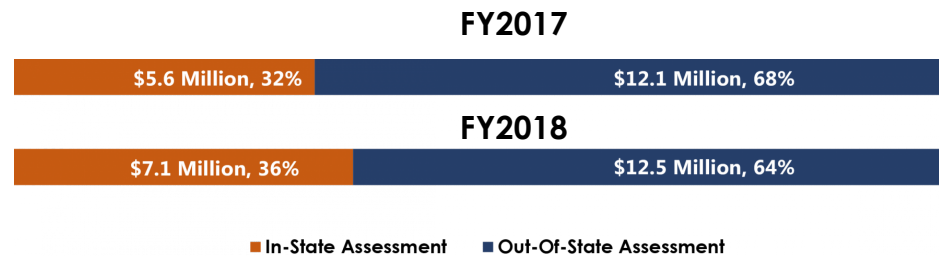
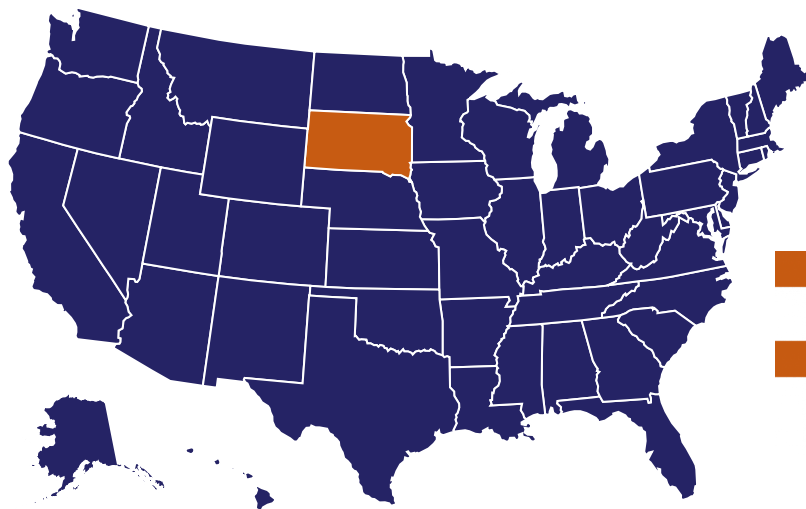
	FY2017				FY2018			
	Audits	Assessments	Credits	Payments Received	Audits	Assessments	Credits	Payments Received
Sales, Use, and Contractor's Excise Tax	2,114	\$18,623,745	-\$1,081,519	\$19,331,947	1,970	\$21,226,193	-\$1,664,686	\$17,425,313
Fuel, Prorate, IFTA	249	\$218,640	-\$43,882	\$88,887	202	\$48,423	-\$24,702	\$370,074
Total	2,363	\$18,842,385	-\$1,125,401	\$19,420,834	2,172	\$21,274,616	-\$1,689,388	\$17,795,388

*Assessments and credits are from original assessments.

"There was nothing unpleasant about the process. I cannot say enough good things about the way the auditor conducted everything."

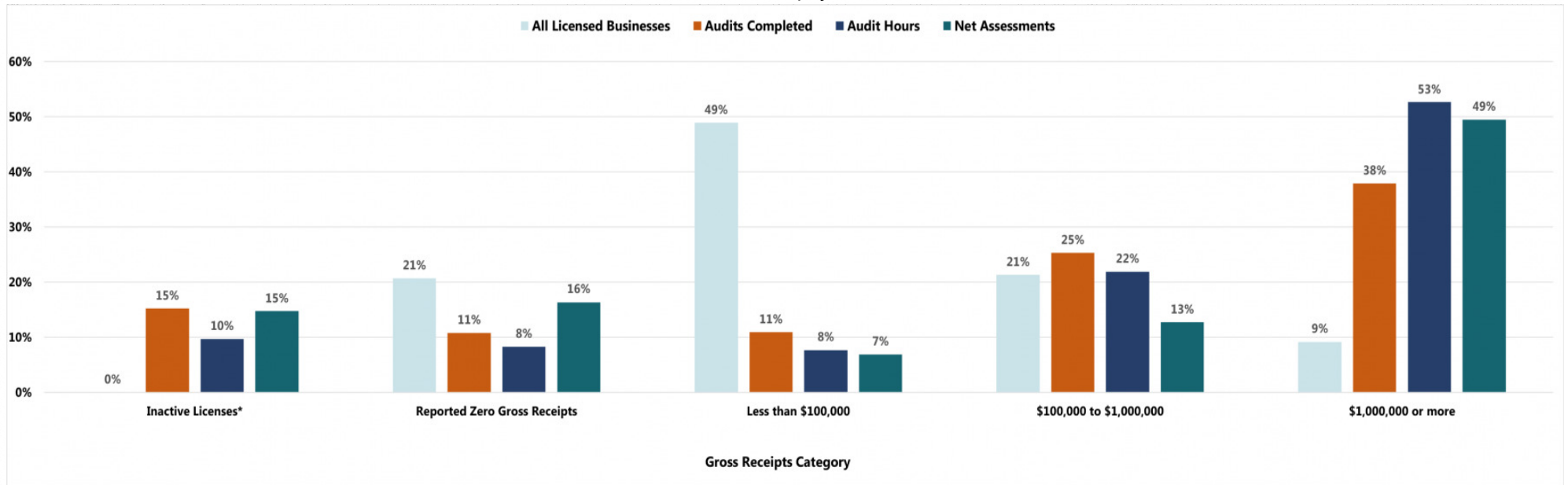
Satisfied Customer

In-State vs. Out-of-State Net Assessments



FY2018 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. Not using bill of lading as main source document. (Ex. should not substitute invoice, etc.) (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 2018, total gaming action was \$1,084,628,335, up 0.22% from the previous year.

At the close of the fiscal year, there were 3,090 licensed gaming devices, 121 retail locations and approximately 1,384 licensed gaming employees.

More details on gaming revenues from Fiscal Year 2018 can be accessed in the Commission on Gaming's Annual Report, which can be found at <https://dor.sd.gov/gaming>.

Revenues

FY18 Device Tax	\$6,180,000
Gross Revenue Tax	\$9,121,794
City Slot Tax	\$401,500
Application Fees	\$58,571
License Fees	\$94,105
Interest	\$18,021
Device Testing Fees	\$16,307
Penalty on Disciplinary Action	\$75,780
Other Revenue	-
Total Additions to Fund:	\$15,966,077

Distributions

Administrative Expenses (Includes DOR Admin Charge)	\$1,243,816
Expenses reimbursed by Applicants/Licensees	\$152,676
Capital Equipment	\$3,605
Lawrence County(SDCL 42-7B-48)	\$810,571
Other Municipalities (SDCL 42-7B-48.1)	\$244,140
School Districts (SDCL 42-7B-48.1)	\$244,140
SD Tourism (SDCL 42-7B-48)	\$3,242,285
SD General Fund (SDCL 42-7B-48.1)	\$1,708,979
SD General Fund (SDCL 42-7B-28.1)	\$1,013,214
SD Historical Preservation (SDCL 42-7B-48)	\$100,000
SD Department of Social Services (SDCL 42-7B-48.3)	\$3,372
City of Deadwood (SDCL 42-7B-48 & 48.1)	\$7,234,221
Total Allocations from Fund:	\$16,001,020

FY18 Horse Racing

In Fiscal Year 2018, horse races took place at both the Fort Pierre and Aberdeen tracks.

Fort Pierre held four days of races over the course of two weekends, while the Aberdeen track hosted four days of racing over two weekends.



Did you know?

Gaming revenues paid dividends as the Commission on Gaming contributed nearly a half of a million dollars to Black Hills Area municipalities and schools.

Municipalities that received funds were:

Central City	\$2,752
Lead	\$48,519
Spearfish	\$177,788
Whitewood	\$15,081

School Districts that received funds were:

Belle Fourche	\$371
Lead-Deadwood	\$56,953
Spearfish	\$175,408
Meade	\$11,408

Lottery

The lottery revenue generated for state funds during Fiscal Year 2018 was more than \$124.7 million. These revenues came from three sources, which are shown in the chart below.

More details on lottery revenues from Fiscal Year 2018 can be accessed in its annual report, which can be found at <http://lottery.sd.gov>.

Revenues

	Sales	Prizes	Commission	Revenue Distributed
Instant Tickets	\$ 30,181,754	\$ 19,470,632	\$ 1,692,953	\$ 6,399,685
Lotto Tickets	\$ 27,999,156	\$ 14,208,961	\$ 1,421,278	\$ 8,395,339
Video Lottery ¹	\$740,599,652	\$ 519,974,335	\$ 110,312,659	\$ 109,951,236
			Totals	\$124,746,260

¹ Video Lottery sales are cash in; prizes are cash out; private share of net machine income is retailer commission.

30 years of Good Fun



During Fiscal Year 2018, the South Dakota Lottery celebrated its 30th anniversary!

Since its inception, the Lottery has distributed \$2.81 billion to its beneficiaries.

Where the Money Went

	General Fund	Capital Construction Fund	Department of Social Services *
Instant Tickets	\$ 6,399,685	-	-
Lotto Tickets	\$ 1,400,000	\$ 6,995,339	-
Video Lottery	\$ 109,209,532	-	\$ 181,329
HB 1044 Transfer	\$ 500,000	-	-
Video Lottery License Fees	\$ 60,375	-	-
Totals	\$ 117,569,592	\$ 6,995,339	\$ 181,329

* 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.

Instant Tickets

The Lottery launched 28 new instant ticket games during fiscal year 2018. 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 2018, there were 649 licensed instant ticket retailers across the state. Retailers receive a 5% commission for selling tickets, and a 1% commission for cashing winning tickets with prizes up to \$100 or for selling tickets with prizes of more than \$100.

Fiscal year 2018 instant ticket sales were up 15.8% from the previous year and revenues were up 22.2%. 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 2018, there were 636 licensed lotto retailers. Lotto retailers receive a 5% commission for selling tickets, plus varying bonuses for selling larger winning tickets.

Lotto games reported an overall sales increase of 21.7% and transfers were up 19.2% from fiscal year 2017.

The first \$1.4 million of revenue from the sale of lotto tickets is distributed to the General Fund, and the remaining balance is distributed to the Capital Construction Fund.

Instant ticket sales reach new heights

New games and feedback from Lottery players and retailers were a big reason why FY18 featured a record year in instant ticket sales.

The year featured the debut of Fresh Fridays, which provided Lottery with exciting, new ways to win. Through the Lottery's Fresh Friday initiative, 28 new instant tickets were introduced during Fiscal Year 2018.

To develop these new tickets, the Lottery used feedback from its players. In partnership with Lawrence & Schiller, the Lottery surveyed players' perception of instant tickets to determine their interest in new play styles.

The Lottery also did quantitative studies on new ticket art, themes, and play styles to provide players with new ways to win.

New Game, Familiar Name



The South Dakota Lottery added a new game with a familiar name in November 2018.

Lotto America joined our lineup on November 12, giving South Dakota five lotto games. In 1990, a version of Lotto America was the first lotto game offered in South Dakota, which was later replaced by Powerball.

While the South Dakota Lottery welcomed Lotto America, the Hot Lotto game was discontinued. The decision to end the \$1 game was made by the Hot Lotto Game Group, and its final drawing took place on October 28.

Hot Lotto was played in South Dakota for nearly 15 years.

Video Lottery

Video lottery sales (cash in) increased by 5.4% in Fiscal Year 2018.

The average number of active video lottery machines during fiscal year 2018 was 9,109, and the average number of licensed establishments was 1,336.

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.

Lottery Unveils Mobile App



During FY18, the South Dakota Lottery developed a new way to engage with its players through the launch of its first ever mobile application.

The mobile app allows users to access information about lotto jackpots, promotions, an interactive retailer map, a ticket scanner, and more. The app also allows members of the Lottery's Players Club to enter exclusive second chance drawings by simply scanning qualifying non-winning tickets.

The app is available on all Android and Apple devices.

New Terminals Continue to Thrive

FY18 was out with the old and in with the new for many South Dakota video lottery players.

The year saw the continued emergence of updated technology in the video lottery industry, as many players and retailers enjoyed the use of new terminals. The new terminals featured updated graphics and a wider array of games, which appealed to players based on the numbers.

Despite accounting for just over 40 percent of the video lottery machines throughout South Dakota, new terminals produced more cash in (\$418 million to \$325 million) and net machine income (\$119 million to \$102 million).



Please Play Responsibly

The South Dakota Lottery believes in good fun, but we realize that for some people, gambling is not fun. It is a problem.

If you or someone you know has a gambling problem, help and treatment are available.

Call the Problem Gambling Helpline at 1-888-781-HELP. Your call is always confidential.

The Lottery provides up to \$214,000 annually to the S.D. Department of Social Services to pay for problem gambling treatment services.

The Lottery also participates annually in activities organized by the National Council on Problem Gambling. Our agency is also a member of the South Dakota Council for Responsible Gaming.

Motor Vehicles

Revenue Sources

Revenue Source	FY16	% Change over Previous Year	FY17	% Change over Previous Year	FY18	% Change over Previous Year
Aviation Fuel	\$722,592	-0.8%	\$789,493	9.3%	\$782,009	-1.0%
Motor Fuel Tax	\$186,597,303	27.9%	\$187,311,848	0.4%	\$185,685,868	-0.9%
Motor Fuel Tax - Tribal	\$5,563,970	30.4%	\$5,164,015	-7.2%	\$5,066,987	-1.9%
International Fuel Tax Agreement (IFTA)	\$906,187	-43.3%	\$1,031,669	13.9%	\$956,060	-7.3%
Tank Inspection Fees	\$17,360,341	-0.2%	\$17,696,131	1.9%	\$17,271,482	-2.4%
Prorate - Registration Fees & Excise Tax	\$20,203,207	7.9%	\$18,794,363	-7.0%	\$19,617,128	4.4%
Unified Carrier Registration Fees	\$823,029	-6.8%	\$872,307	6.0%	\$685,568	-21.4%
Motor Vehicle Titles & Registrations	\$176,368,529	21.0%	\$172,522,180	-2.2%	\$176,650,433	2.4%

Distributions

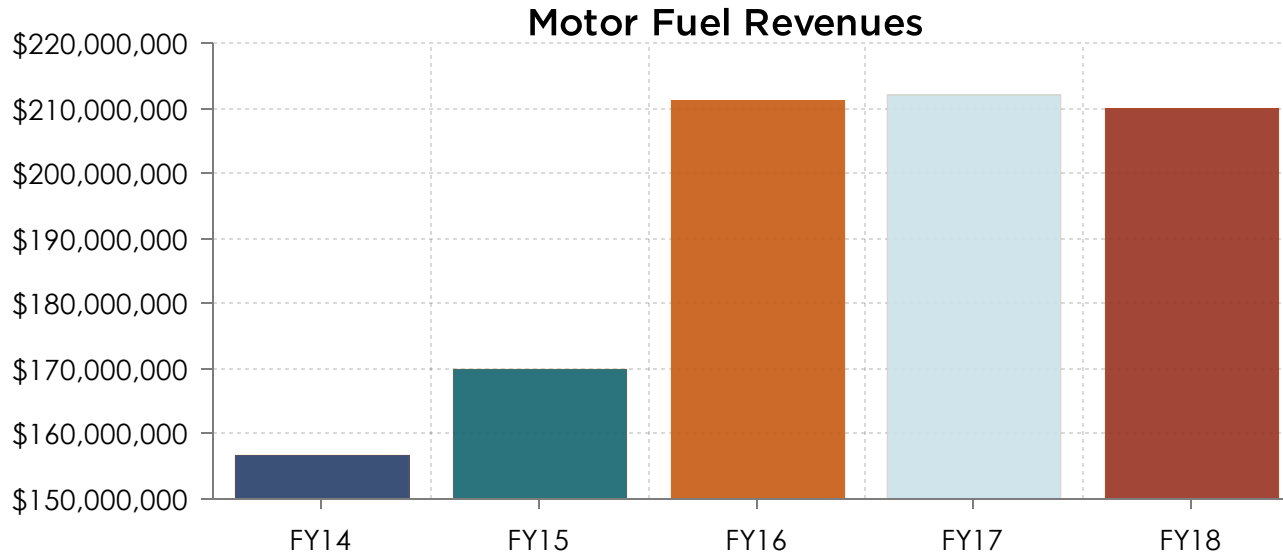
Revenue Source	General Fund	Local Government	State Highway Fund	Other
Motor Fuel Excise Tax	-	-	100%	-
Motor Vehicle Excise	-	-	100%	-
Motor Vehicle Registration Fees	-	95.75%	-	(1)
Snowmobiles	-	-	-	(2)
Plates and Permits	-	-	-	License Plate Revolving Fund
Title and Penalty Fees	-	-	-	Motor Vehicle Fund (MVF)
Mobile home Registration Fees	25%	63.75%	-	11.25% MVF

(1) 1.75% is deposited to the State Motor Vehicle Fund, and 2.5% goes to the License Plate Special Revenue Fund.

(2) 90% goes to Game, Fish, and Parks and 10% to State Motor Vehicle Fund.

Motor Fuel

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 2018, total fuel tax revenues amounted to \$209,762,406. 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.



2015's Senate Bill 1 went into effect April 1, 2015. The bill featured increases in the motor vehicle excise tax, licensing and registration fees for non-commercial vehicles and the motor fuel excise tax.

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.

Because the tax is already paid before the customer makes their purchase, the customer essentially pays the tax back to the supplier. Your price at the pump includes Federal and State taxes.



By the Numbers

South Dakota has **16** different motor fuel license types and a total of **3,144** licensees.

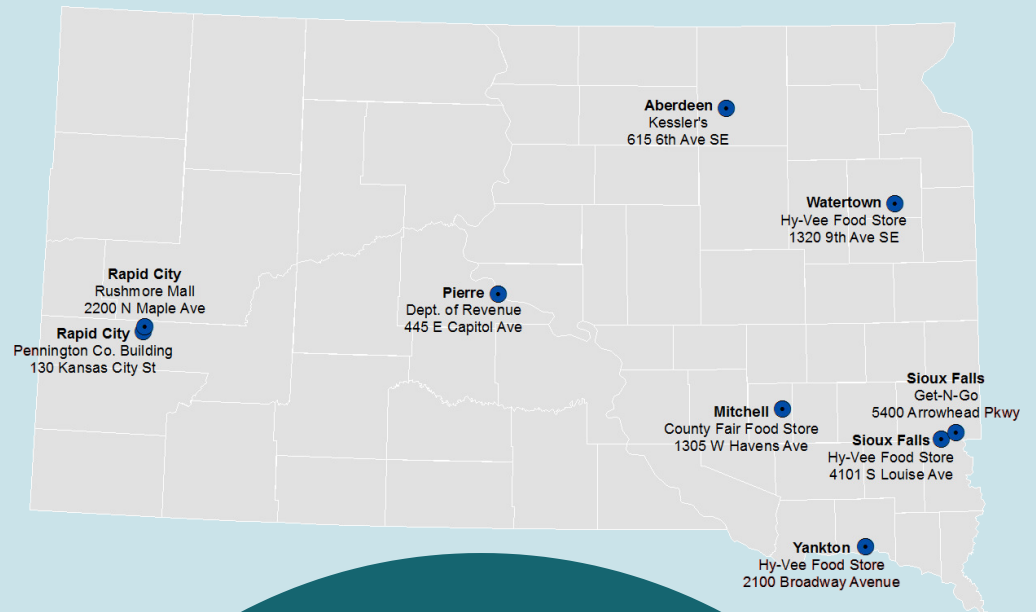
Renew On The Go!



In Fiscal Year 2018, more than 85,000 vehicle registrations were renewed through our self-service terminals (SST).

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.



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!

Did you know?

There are currently 142 different South Dakota license plates.



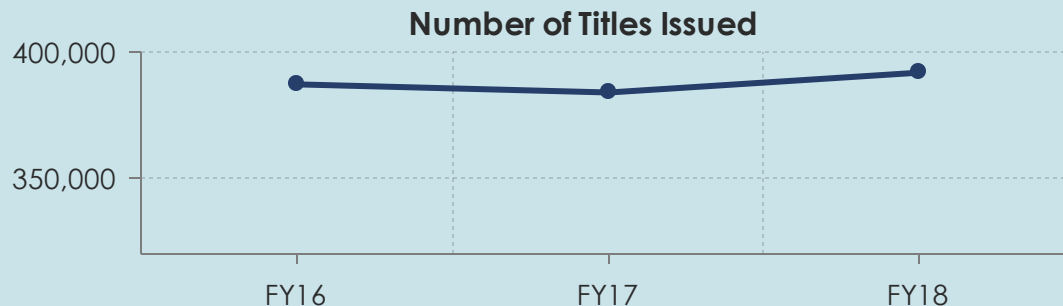
Registration and Title Revenues

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/decals.

Title and Registration Revenues	FY2017	FY2018	Percent Change
License Plate Fees-State's Share*	\$5,295,945	\$5,467,515	3.24%
License Plate Fees-Counties', Cities', Townships' Share	\$52,714,353	\$52,220,002	-0.94%
Snowmobiles	\$125,803	\$120,993	-3.82%
Boats	\$1,707,049	\$1,618,072	-5.21%
Temporary Special Permits	\$75,275	\$84,272	11.95%
Mobile Home Plates	\$4,850	\$4,800	-1.02%
Dealer Fees	\$220,519	\$246,623	11.84%
Duplicate Plates, Replacement Plates	\$266,006	\$276,352	3.89%
Title and Penalty Fees	\$3,004,901	\$2,736,311	-8.94%
Trailer ID Fees	\$68,369	\$68,986	0.90%
Motorcycle Safety Education Fees	\$639,744	\$688,799	7.67%
Mobile Home Registration Fees-State's Share	\$116,910	\$129,781	11.01%
Other Vehicle 4% Excise Tax	\$105,567,829	\$110,384,282	4.56%
Snowmobile 3% Excise Tax	\$281,102	\$249,692	-11.17%
Register of Deeds Fees	\$191,631	\$187,315	-2.25%
DENR-Solid Waste Fees	\$1,264,669	\$1,292,625	2.21%
DPS-Highway Patrol Fees	\$1,032,016	\$1,039,907	0.76%
Total Receipts	\$172,576,968	\$176,650,433	2.36%

*State Motor Vehicle Fund, License Plate Special Revenue Fund

Title Processing



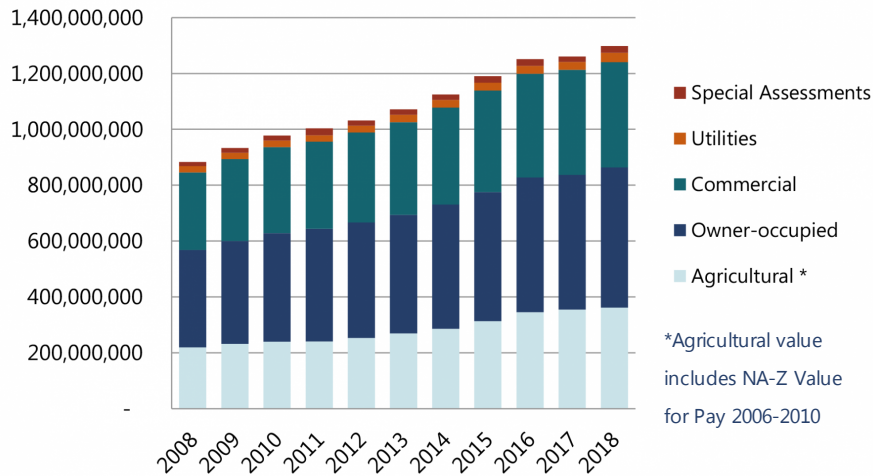
Our motor vehicle division strives to issue motor vehicle titles in an efficient and reliable manner. During Fiscal Year 2018, 391,810 motor vehicle titles were issued.

Property Tax

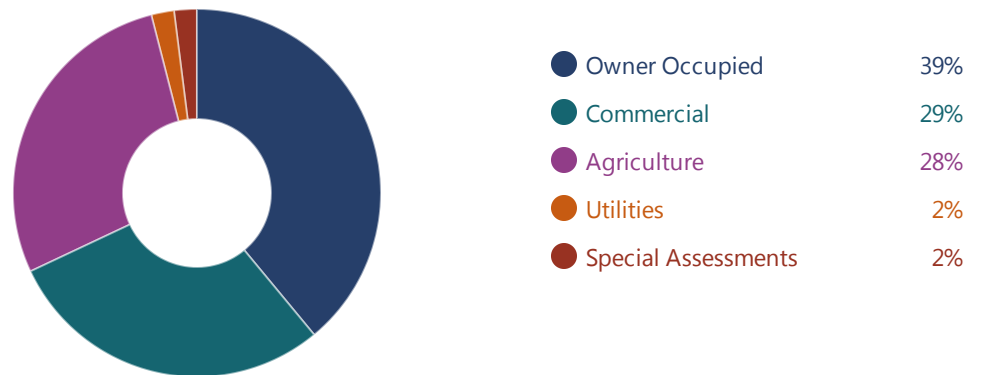
In 2018, South Dakota property owners paid more than \$1 billion to fund local governments and provide K-12 education for the state's children. The state does not collect or spend any property tax money. Each county administers its own property tax system; the department's primary role is to assist local governments in making property tax assessments 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.

Who Paid

Property Tax Contribution

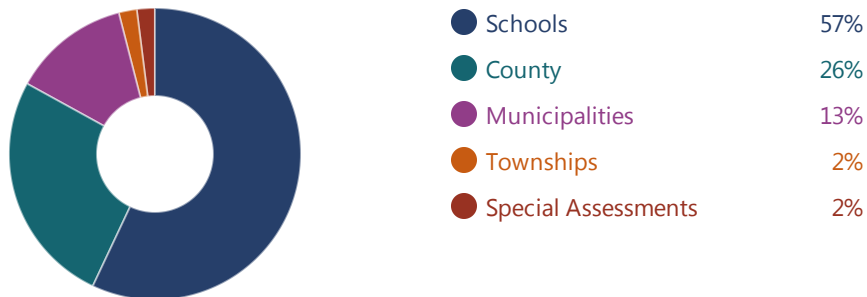


2018 Tax Contribution Breakdown

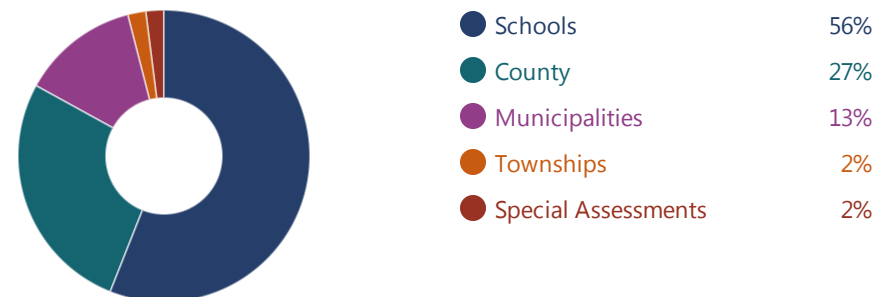


Tax Distribution Comparison

2008

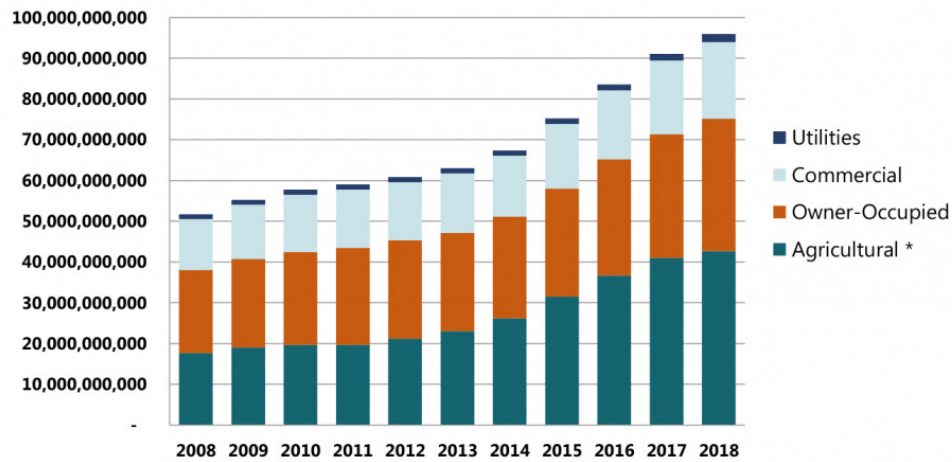


2018



Taxable Valuations by Category: 2008-2018

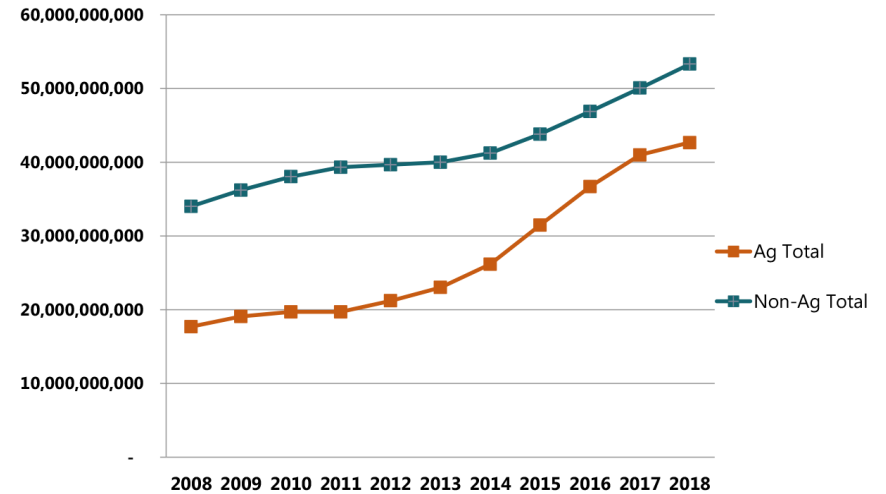
Valuation Trend by Property Types



*Agricultural value includes NA-Z Value for Pay 2006-2010

See Appendix B for taxable valuations by county

Valuation Total in Ag vs. Non-Ag Properties



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 had three classifications, which are shown below along with the number of active TIFs throughout the state.

During the 2018 legislative session, the legislature created a fourth TIF district classification for Affordable Housing. In the past, many communities created TIF districts for housing development, but classification was inconsistent depending on when and where the district was created.

For more information on TIFs, including our TIF Annual Report, visit <https://dor.sd.gov/TIFs.aspx>

Industrial (19 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 (110 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 (48 Active)

This is the default classification. Unless the TIF district meets the definition of an Industrial or Economic TIF district, it is a local TIF district.

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. 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 (except schools). 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.

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 2019 are set statewide as follows:

Ag \$1.512/\$1,000 of value
Owner-Occupied \$3.383/\$1,000 of value
Other \$7.001/\$1,000 of value

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.

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 \$1.2 billion of property taxes per year. These programs were implemented in 1997.

Steps in determination of Property Taxes

The following provides the steps that are common to the application of property taxes in each government unit (excluding centrally assessed properties):

1

The full and true (assessed) value of all property in the state is determined prior to the assessment year, as of November 1.

Example: November 1, 2018 for the 2019 assessment year, taxes payable in 2020.

The Director of Equalization in each county is to assess all real property within the county.

Assessment notices are sent to the property owner on or before March 1 of each year.

2

Determine the taxable value of the property.

All property is to be assessed at full and true value. Then the property is equalized to 85% for property tax purposes.

If the county is at 100% of full and true value then the equalization factor (the number to get to the 85% taxable value) would be 0.85.

Example: Full and true value of \$120,000 x 85% = taxable value of \$102,000

3

Determine the tax levy for all taxing jurisdictions which can tax the property.

Tax levies for each taxing jurisdiction are determined by dividing the tax request by the total taxable value within the taxing jurisdiction and multiplying the result by 1,000.

Example: If the taxable value within a city is \$10,000,000 and the city has a tax levy request of \$100,000, the tax is \$10 per thousand.

4

Taxes are computed for individual properties.

Taxes are computed by multiplying the taxable value times the tax levy divided by 1,000.

Example: If a person has property with a taxable value of \$102,000, the property taxes for city purposes would be \$1,020 at a tax rate of \$10 per thousand.

This same step is completed for each taxing district that can tax the property, such as a county, city, school, or fire district.

5

Tax Bills are sent to property owners.

Taxes are due and payable January 1 of the year following the assessment. (2018 assessment year taxes are due and payable January 1, 2019.)

The taxes do not become delinquent if one-half of the taxes are paid before May 1, and the remaining half are paid before November 1.

All property taxes are paid to the county treasurer in the county where the property is located.

Education

The Department of Revenue strives to educate our customers as well as work with our partners to ensure the best service possible for South Dakotans. Our education program is an important aspect in achieving this goal. The department hosted a wide-range of seminars during Fiscal Year 2018, 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.

Want to request a presentation? Visit our website, dor.sd.gov, then click on the Education tab.

Our Seminars Cover:

- Sales and Use Tax
- Contractor's Excise Tax
- Bookkeeping
- Property Tax
- Gaming Tax
- Motor Vehicle Excise Tax
- Agriculture Business
- Home/Vacation Rentals
- Alcohol Tax

All of our seminars are free of charge.

New in Fiscal Year 2018

- Marketer Training
- Using the Dealer Portal
- Highway Contractor Training
- Home/Vacation Rental
- Heavy Truck and Trailer Dealers

Look for more additions in Fiscal Year 2019.

More Ways To Attend

In Fiscal Year 2018, some of DOR's seminars were streamed live on the department's Facebook page or posted onto our YouTube page.

This allows South Dakotans who couldn't attend these seminars to tune in live from their computer, tablet, cellphone, and more!



Fiscal Year 2018 By The Numbers

9

Industry-specific training opportunities

16

Conferences hosted by outside agencies

20

Business training requests accommodated

7.3%

Increase in taxpayer attendance at external training events

2,104

Taxpayers recieved training in the 2017-2018 fiscal year

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 the customer.

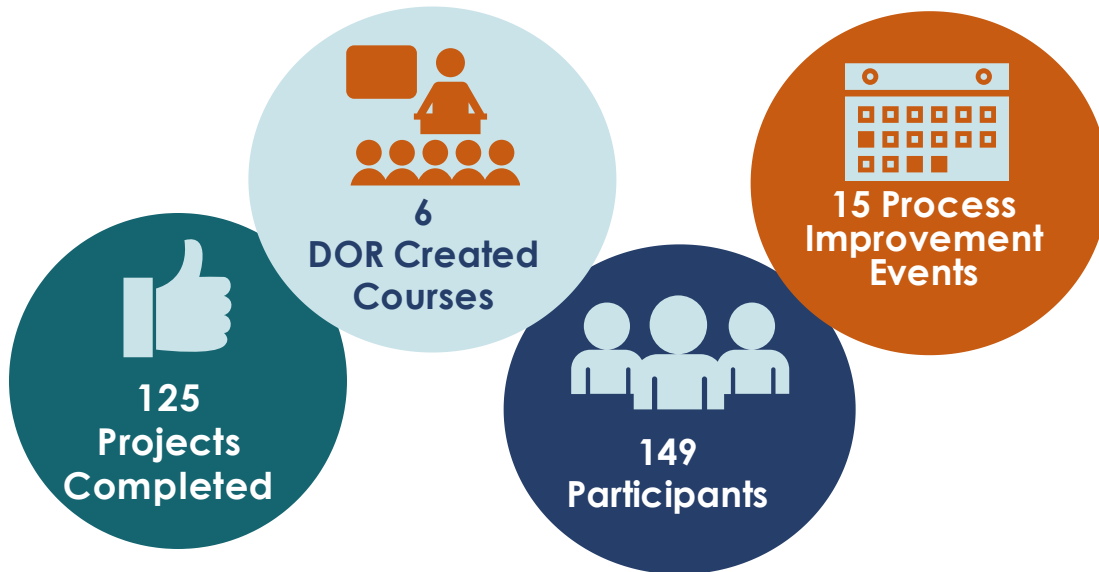
The Department of Revenue carried on this continuous improvement initiative through a variety of Lean trainings and activities.

Why Lean?

1. It promotes incremental changes over time.
2. It can dramatically improve the performance and effectiveness of processes.
3. It increases transparency to internal and external stakeholders.
4. It actively engages all employees.
5. It helps allocate more staff time to "mission critical" work.
6. It uses metrics and visual controls to provide rapid feedback to improve decision making and problem-solving.

Most commonly used Lean Tools

- Kaizen (to break to better) Event
- SIPOC Diagram
- Flow Chart / Process Map
- Lean Project Charter
- TIM U WOOD
- 5S
- Poka Yoke
- PICK Chart
- Plan-Do-Check-Act



1

Level 1 | Aware

- 2 hour Lean Core Concepts Training

2

Level 2 | Engaged

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

3

Level 3 | Practicing

- Complete Level 2
- Complete at least 3 more Focused Lean trainings
- Experience at least 1 Lean event (Participate in or shadow a lean event)

4

Level 4 | Leading

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

5

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

#	City	FY2018 Sales/Use Tax		FY2017	FY2018	% Change
		MGRT Rate	Rate			
1	Aberdeen	1.00%	2.00%	\$17,998,969	\$18,992,261	5.52%
2	Akaska	-	2.00%	\$23,575	\$24,496	3.91%
3	Alcester	-	2.00%	\$218,794	\$214,153	-2.12%
4	Alexandria	-	2.00%	\$151,044	\$129,427	-14.31%
5	Alpena	-	1.00%	\$135,973	\$148,022	8.86%
6	Andover	-	2.00%	\$6,132	\$7,155	16.68%
7	Arlington	-	2.00%	\$533,537	\$494,794	-7.26%
8	Armour	-	2.00%	\$257,983	\$278,111	7.80%
9	Artesian	-	2.00%	\$20,447	\$21,438	4.85%
10	Ashton	-	2.00%	\$16,401	\$15,642	-4.63%
11	Astoria	-	2.00%	\$16,046	\$20,478	27.62%
12	Aurora	-	1.00%	\$79,998	\$82,431	3.04%
13	Avon	-	2.00%	\$154,178	\$192,106	24.60%
14	Baltic	1.00%	2.00%	\$142,425	\$160,718	12.84%
15	Belle Fourche	1.00%	2.00%	\$2,728,017	\$2,735,469	0.27%
16	Belvidere	-	2.00%	\$18,791	\$12,961	-31.02%
17	Beresford	1.00%	2.00%	\$914,471	\$965,048	5.53%
18	Big Stone City	-	2.00%	\$304,155	\$252,994	-16.82%
19	Bison	-	2.00%	\$178,412	\$170,160	-4.63%
20	Blunt	1.00%	1.00%	\$43,777	\$45,130	3.09%
21	Bonesteel	-	2.00%	\$80,047	\$84,597	5.68%
22	Bowdle	-	2.00%	\$145,384	\$145,385	0.00%
23	Box Elder	1.00%	2.00%	\$1,832,924	\$1,842,211	0.51%
24	Bradley	-	2.00%	\$4,446	\$19,479	338.08%
25	Brandon	1.00%	2.00%	\$3,164,716	\$3,392,505	7.20%
26	Brandt	-	2.00%	\$27,162	\$22,546	-16.99%
27	Bridgewater	-	2.00%	\$98,368	\$93,385	-5.07%
28	Bristol	-	2.00%	\$93,013	\$72,761	-21.77%
29	Britton	1.00%	2.00%	\$707,461	\$749,346	5.92%
30	Brookings	1.00%	2.00%	\$14,217,259	\$14,410,361	1.36%
31	Bruce	-	2.00%	\$27,343	\$35,190	28.70%
32	Bryant	-	2.00%	\$147,714	\$173,293	17.32%
33	Buffalo	-	2.00%	\$176,186	\$168,765	-4.21%
34	Buffalo Chip	-	2.00%	\$111,746	\$68,785	-38.45%
35	Burke	-	2.00%	\$292,145	\$308,831	5.71%
36	Camp Crook	-	1.00%	\$6,979	\$7,212	3.33%
37	Canistota	1.00%	2.00%	\$171,500	\$188,224	9.75%
38	Canova	-	1.95%	\$26,186	\$27,953	6.75%
39	Canton	1.00%	2.00%	\$1,016,149	\$1,165,803	14.73%
40	Carthage	-	2.00%	\$39,463	\$44,637	13.11%
41	Castlewood	-	2.00%	\$148,469	\$161,623	8.86%
42	Cavour	-	2.00%	\$23,229	\$28,364	22.10%
43	Centerville	1.00%	2.00%	\$153,917	\$170,815	10.98%
44	Central City	-	2.00%	\$63,762	\$71,049	11.43%
45	Chamberlain	1.00%	2.00%	\$1,503,867	\$1,511,497	0.51%
46	Chancellor	1.00%	2.00%	\$58,874	\$75,940	28.99%
47	Clark	-	2.00%	\$431,651	\$448,519	3.91%
48	Clear Lake	1.00%	2.00%	\$620,148	\$562,140	-9.35%
49	Colman	-	2.00%	\$186,402	\$229,814	23.29%
50	Colome	1.00%	2.00%	\$75,622	\$73,094	-3.34%

#	City	FY2018 Sales/Use Tax		FY2017	FY2018	% Change
		MGRT Rate	Rate			
51	Colton	1.00%	2.00%	\$123,497	\$145,220	17.59%
52	Columbia	-	2.00%	\$24,311	\$25,342	4.24%
53	Conde	-	2.00%	\$23,496	\$36,996	57.46%
54	Corona	-	2.00%	\$16,432	\$21,658	31.81%
55	Corsica	1.00%	2.00%	\$317,483	\$309,913	-2.38%
56	Crooks	1.00%	2.00%	\$176,397	\$208,687	18.31%
57	Custer	1.00%	2.00%	\$1,746,822	\$1,899,045	8.71%
58	Dallas	1.00%	2.00%	\$45,803	\$50,473	10.19%
59	Dante	-	1.00%	\$0	\$5,879	NA
60	Davis	-	2.00%	\$16,970	\$16,203	-4.52%
61	De Smet	1.00%	2.00%	\$555,184	\$528,089	-4.88%
62	Deadwood	1.00%	2.00%	\$3,392,763	\$3,716,408	9.54%
63	Dell Rapids	1.00%	2.00%	\$1,156,502	\$1,213,587	4.94%
64	Delmont	-	2.00%	\$46,097	\$43,757	-5.08%
65	Dimock	-	2.00%	\$32,359	\$32,609	0.77%
66	Doland	-	2.00%	\$59,821	\$74,282	24.17%
67	Dupree	-	1.00%	\$52,727	\$69,280	31.39%
68	Eagle Butte	1.00%	2.00%	\$429,289	\$435,711	1.50%
69	Eden	-	1.00%	\$21,480	\$22,114	2.95%
70	Edgemont	1.00%	2.00%	\$242,028	\$317,815	31.31%
71	Egan	-	2.00%	\$37,338	\$47,333	26.77%
72	Elk Point	1.00%	2.00%	\$504,132	\$559,684	11.02%
73	Elkton	-	2.00%	\$204,777	\$201,816	-1.45%
74	Emery	-	2.00%	\$155,977	\$162,387	4.11%
75	Estelline	-	2.00%	\$157,701	\$196,960	24.89%
76	Ethan	-	2.00%	\$131,989	\$165,060	25.06%
77	Eureka	-	2.00%	\$295,079	\$321,853	9.07%
78	Fairfax	-	2.00%	\$33,023	\$30,651	-7.18%
79	Fairview	-	2.00%	\$8,492	\$7,099	-16.41%
80	Faith	1.00%	2.00%	\$249,745	\$256,468	2.69%
81	Faulton	-	2.00%	\$333,417	\$338,951	1.66%
82	Flandreau	1.00%	2.00%	\$674,351	\$691,011	2.47%
83	Florence	-	2.00%	\$49,143	\$50,889	3.55%
84	Fort Pierre	1.00%	2.00%	\$1,268,997	\$1,262,158	-0.54%
85	Frankfort	-	2.00%	\$25,888	\$24,706	-4.57%
86	Frederick	-	1.00%	\$28,494	\$23,815	-16.42%
87	Freeman	-	2.00%	\$609,004	\$597,400	-1.91%
88	Garretson	1.00%	2.00%	\$389,322	\$400,056	2.76%
89	Gary	-	1.00%	\$52,891	\$50,265	-4.96%
90	Gayville	-	2.00%	\$51,427	\$57,413	11.64%
91	Getdes	-	2.00%	\$52,332	\$64,075	22.44%
92	Geddesburg	1.00%	2.00%	\$512,799	\$503,456	-1.82%
93	Glenham	-	2.00%	\$28,234	\$30,328	7.42%
94	Gregory	1.00%	2.00%	\$654,098	\$653,179	-0.14%
95	Grenville	-	2.00%	\$17,310	\$16,345	-5.58%
96	Groton	1.00%	2.00%	\$578,190	\$571,877	-1.09%
97	Harrisburg	1.00%	2.00%	\$1,164,185	\$1,278,770	9.84%
98	Harrold	-	2.00%	\$75,210	\$74,031	-1.57%
99	Hartford	1.00%	2.00%	\$904,152	\$886,914	-1.91%
100	Hayti	-	2.00%	\$71,335	\$96,902	35.84%

#	City	FY2018 Sales/Use Tax		FY2017	FY2018	% Change	#	City	FY2018 Sales/Use Tax		FY2017	FY2018	% Change
		MGRT Rate	Rate						MGRT Rate	Rate			
101	Hazel	-	1.00%	\$12,248	\$16,513	34.83%	151	Mission	-	2.00%	\$416,486	\$488,193	17.22%
102	Hecla	-	1.00%	\$47,444	\$47,920	1.00%	152	Mitchell	1.00%	2.00%	\$11,614,278	\$12,008,802	3.40%
103	Henry	-	1.00%	\$31,471	\$29,058	-7.67%	153	Mobridge	1.00%	2.00%	\$1,786,027	\$1,720,248	-3.68%
104	Hermosa	-	2.00%	\$153,792	\$169,691	10.34%	154	Monroe	-	2.00%	\$9,599	\$14,038	46.24%
105	Herreid	-	2.00%	\$304,307	\$202,923	-33.32%	155	Montrose	-	2.00%	\$78,975	\$76,130	-3.60%
106	Highmore	1.00%	2.00%	\$360,351	\$393,305	9.14%	156	Morristown	-	1.50%	\$7,150	\$8,550	19.59%
107	Hill City	1.00%	2.00%	\$1,088,057	\$1,101,304	1.22%	157	Mound City	-	2.00%	\$17,998	\$18,240	1.34%
108	Hitchcock	-	1.00%	\$17,749	\$20,949	18.03%	158	Mount Vernon	1.00%	2.00%	\$78,931	\$82,651	4.71%
109	Hosmer	-	2.00%	\$67,383	\$58,019	-13.90%	159	Murdo	1.00%	2.00%	\$473,889	\$494,856	4.42%
110	Hot Springs	1.00%	2.00%	\$1,606,459	\$1,629,162	1.41%	160	New Effington	-	2.00%	\$51,619	\$44,203	-14.37%
111	Hoven	-	2.00%	\$178,321	\$149,477	-16.18%	161	New Underwood	-	2.00%	\$100,988	\$103,936	2.92%
112	Howard	-	2.00%	\$381,407	\$412,339	8.11%	162	Newell	-	2.00%	\$201,646	\$218,151	8.19%
113	Hudson	-	2.00%	\$127,380	\$188,229	47.77%	163	Nisland	-	2.00%	\$22,913	\$20,784	-9.29%
114	Humboldt	1.00%	2.00%	\$188,422	\$195,544	3.78%	164	North Sioux City	1.00%	2.00%	\$2,432,956	\$3,593,121	47.69%
115	Hurley	-	2.00%	\$59,058	\$61,537	4.20%	165	Oacoma	1.00%	2.00%	\$619,536	\$604,237	-2.47%
116	Huron	1.00%	2.00%	\$7,142,961	\$7,338,533	2.74%	166	Oldham	-	2.00%	\$20,633	\$17,460	-15.37%
117	Interior	-	1.90%	\$36,505	\$39,326	7.73%	167	Olivet	-	1.00%	\$8,263	\$8,461	2.39%
118	Ipswich	-	2.00%	\$492,430	\$396,637	-19.45%	168	Onida	-	2.00%	\$221,651	\$283,647	27.97%
119	Irene	1.00%	2.00%	\$106,632	\$96,061	-9.91%	169	Orient	-	1.00%	\$14,480	\$14,286	-1.34%
120	Iroquois	-	1.00%	\$28,992	\$25,210	-13.04%	170	Parker	-	2.00%	\$333,772	\$343,454	2.90%
121	Isabel	-	2.00%	\$76,690	\$69,530	-9.34%	171	Parkston	1.00%	2.00%	\$648,072	\$646,010	-0.32%
122	Java	-	2.00%	\$17,326	\$15,835	-8.60%	172	Peever	-	2.00%	\$19,017	\$18,784	-1.23%
123	Jefferson	-	2.00%	\$128,143	\$143,550	12.02%	173	Philip	-	2.00%	\$478,347	\$564,483	18.01%
124	Kadoka	1.00%	2.00%	\$289,967	\$299,661	3.34%	174	Pickstown	-	2.00%	\$79,255	\$92,349	16.52%
125	Kennebec	1.00%	2.00%	\$105,685	\$121,929	15.37%	175	Piedmont	-	2.00%	\$213,755	\$247,446	15.76%
126	Keystone	1.00%	2.00%	\$966,051	\$1,060,418	9.77%	176	Pierpont	-	2.00%	\$16,474	\$18,583	12.80%
127	Kimball	1.00%	2.00%	\$317,519	\$381,629	20.19%	177	Pierre	1.00%	2.00%	\$8,333,113	\$8,240,550	-1.11%
128	Kranzburg	-	2.00%	\$29,048	\$29,200	0.52%	178	Plankinton	-	2.00%	\$198,770	\$212,086	6.70%
129	La Bolt	-	1.00%	\$22,883	\$13,685	-40.20%	179	Platte	1.00%	2.00%	\$730,825	\$700,486	-4.15%
130	Lake Andes	-	2.00%	\$181,074	\$224,894	24.20%	180	Pollock	-	2.00%	\$122,291	\$135,939	11.16%
131	Lake City	-	1.00%	\$0	\$7,620	NA	181	Presho	-	2.00%	\$159,702	\$169,535	6.16%
132	Lake Norden	-	2.00%	\$248,012	\$898,147	262.14%	182	Pringle	-	2.00%	\$28,645	\$22,740	-20.61%
133	Lake Preston	-	2.00%	\$167,874	\$176,359	5.05%	183	Pukwana	-	2.00%	\$43,040	\$45,930	6.71%
134	Langford	-	2.00%	\$64,843	\$73,788	13.79%	184	Quinn	1.00%	1.00%	\$6,519	\$5,610	-13.95%
135	Lead	1.00%	2.00%	\$761,775	\$845,004	10.93%	185	Ramona	-	2.00%	\$29,647	\$28,856	-2.67%
136	Lemmon	1.00%	2.00%	\$634,776	\$640,849	0.96%	186	Rapid City	1.00%	2.00%	\$59,001,263	\$60,555,817	2.63%
137	Lennox	1.00%	2.00%	\$625,119	\$622,949	-0.35%	187	Redfield	1.00%	2.00%	\$995,850	\$1,007,257	1.15%
138	Leola	-	2.00%	\$109,151	\$101,732	-6.80%	188	Reliance	1.00%	2.00%	\$50,443	\$60,944	20.82%
139	Lesterville	-	2.00%	\$25,436	\$27,971	9.96%	189	Reville	-	1.00%	\$27,395	\$19,632	-28.34%
140	Letcher	1.00%	2.00%	\$37,358	\$38,173	2.18%	190	Roscoe	-	2.00%	\$122,916	\$111,061	-9.64%
141	Madison	1.00%	2.00%	\$3,289,350	\$3,221,371	-2.07%	191	Rosholt	-	1.00%	\$88,472	\$79,034	-10.67%
142	Marion	-	2.00%	\$264,150	\$284,791	7.81%	192	Roslyn	-	2.00%	\$38,058	\$45,510	19.58%
143	Martin	1.00%	2.00%	\$496,638	\$506,536	1.99%	193	Saint Lawrence	-	2.00%	\$37,060	\$36,697	-0.98%
144	McIntosh	-	2.00%	\$51,141	\$37,326	-27.01%	194	Salem	1.00%	2.00%	\$494,258	\$504,922	2.16%
145	McLaughlin	-	2.00%	\$89,484	\$114,158	27.57%	195	Scotland	-	2.00%	\$300,676	\$343,738	14.32%
146	Mellette	-	2.00%	\$53,967	\$57,135	5.87%	196	Selby	-	2.00%	\$222,256	\$238,925	7.50%
147	Menno	-	2.00%	\$250,258	\$239,338	-4.36%	197	Sherman	-	1.00%	\$4,940	\$7,069	43.11%
148	Midland	-	2.00%	\$75,898	\$74,439	-1.92%	198	Sioux Falls	1.00%	2.00%	\$127,020,473	\$132,118,200	4.01%
149	Milbank	1.00%	2.00%	\$2,255,862	\$2,468,036	9.41%	199	Sioux Falls - Lodging	-	1.00%	\$1,045,261	\$869,229	-16.84%
150	Miller	1.00%	2.00%	\$764,126	\$755,986	-1.07%	200	Sisseton	1.00%	2.00%	\$1,132,411	\$1,168,572	3.19%

#	City	Sales/Use Tax		FY2017	FY2018	% Change
		FY2018 MGRT Rate	Rate			
201	South Shore	-	1.00%	\$13,159	\$13,298	1.06%
202	Spearfish	1.00%	2.00%	\$8,068,159	\$8,329,241	3.24%
203	Spencer	-	2.00%	\$18,771	\$20,072	6.93%
204	Springfield	-	2.00%	\$200,304	\$236,322	17.98%
205	Stickney	-	2.00%	\$115,543	\$120,767	4.52%
206	Stratford	-	2.00%	\$17,158	\$20,287	18.24%
207	Sturgis	1.00%	2.00%	\$3,602,709	\$3,727,055	3.45%
208	Summerset	1.00%	2.00%	\$568,731	\$692,803	21.82%
209	Summit	-	2.00%	\$160,769	\$147,320	-8.37%
210	Tabor	-	2.00%	\$92,591	\$107,401	15.99%
211	Tea	1.00%	2.00%	\$1,276,961	\$1,447,886	13.39%
212	Timber Lake	-	2.00%	\$189,253	\$181,836	-3.92%
213	Toronto	-	2.00%	\$52,561	\$93,127	77.18%
214	Trent	-	1.00%	\$13,721	\$15,409	12.30%
215	Tripp	-	2.00%	\$99,806	\$148,435	48.72%
216	Tulare	-	1.00%	\$57,636	\$58,010	0.65%
217	Tyndall	-	2.00%	\$285,366	\$335,274	17.49%
218	Utica	-	1.00%	\$8,771	\$3,859	-56.00%
219	Valley Springs	-	2.00%	\$102,503	\$106,954	4.34%
220	Veblen	-	2.00%	\$56,204	\$59,303	5.51%
221	Vermillion	1.00%	2.00%	\$3,898,725	\$3,953,799	1.41%
222	Viborg	1.00%	2.00%	\$268,777	\$284,878	5.99%
223	Volga	-	2.00%	\$483,686	\$515,518	6.58%
224	Volin	-	2.00%	\$20,046	\$27,765	38.51%
225	Wagner	-	2.00%	\$758,471	\$768,129	1.27%
226	Wakonda	-	2.00%	\$76,483	\$83,104	8.66%
227	Wall	1.00%	2.00%	\$1,357,921	\$1,288,785	-5.09%
228	Wallace	-	1.00%	\$14,252	\$10,202	-28.42%
229	Ward	-	2.00%	\$17,263	\$19,464	12.75%
230	Warner	-	2.00%	\$69,421	\$64,323	-7.34%
231	Wasta	-	1.00%	\$5,273	\$4,275	-18.92%
232	Watertown	1.00%	2.00%	\$15,173,327	\$15,840,486	4.40%
233	Waubay	-	2.00%	\$118,636	\$125,015	5.38%
234	Webster	1.00%	2.00%	\$1,070,841	\$1,229,777	14.84%
235	Wentworth	-	2.00%	\$36,424	\$53,345	46.46%
236	Wessington	-	2.00%	\$61,202	\$71,634	17.04%
237	Wessington Springs	-	2.00%	\$350,506	\$357,861	2.10%
238	Westport	-	2.00%	\$16,323	\$17,908	9.71%
239	White	-	2.00%	\$70,156	\$76,703	9.33%
240	White Lake	1.00%	2.00%	\$92,097	\$127,350	38.28%
241	White River	-	2.00%	\$147,731	\$145,674	-1.39%
242	Whitewood	1.00%	2.00%	\$290,306	\$313,077	7.84%
243	Willow Lake	-	2.00%	\$80,454	\$84,105	4.54%
244	Wilmot	-	2.00%	\$130,298	\$132,087	1.37%
245	Winner	1.00%	2.00%	\$1,657,581	\$1,715,692	3.51%
246	Witten	-	2.00%	\$8,273	\$7,451	-9.94%
247	Wolsey	-	2.00%	\$135,497	\$118,086	-12.85%
248	Wood	-	2.00%	\$12,584	\$15,212	20.88%
249	Woonsocket	-	2.00%	\$181,083	\$206,551	14.06%
250	Worthing	1.00%	2.00%	\$128,483	\$118,605	-7.69%
251	Yale	-	1.00%	\$13,626	\$11,837	-13.13%
252	Yankton	1.00%	2.00%	\$9,528,288	\$9,924,350	4.16%

Statewide Totals

During Fiscal Year 2018, \$378,292,963 in municipal taxes were collected throughout the state. This is a 4.0% increase from Fiscal Year 2017's total of \$363,700,431.



Our TaxMatch system allows you to instantly find tax rates for any South Dakota community.

Simply type in any South Dakota address to find your rates.

You may also upload an Excel spreadsheet to find rates for separate transactions in multiple municipalities.

To get started, visit the department website and click on the TaxMatch logo under e-services.

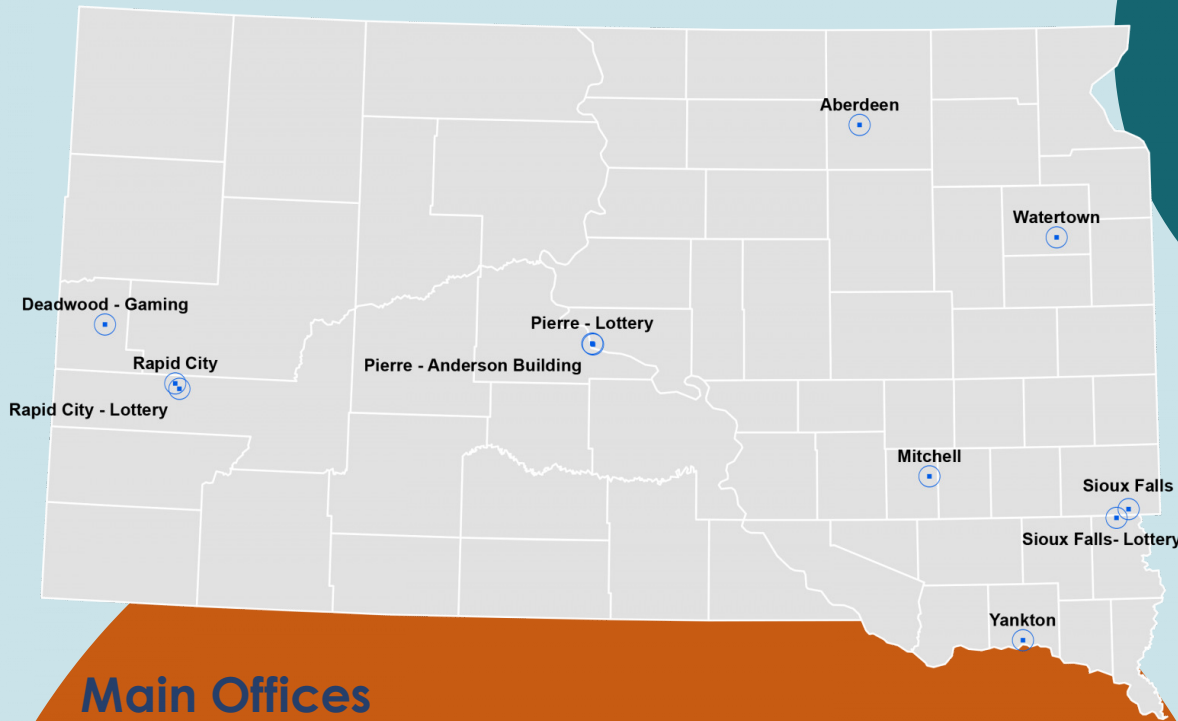
Taxable Valuations by County

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 Real Valuation	Owner-Occupied Valuation	Other Valuation	Total Valuation
AURORA	\$707,169,054	\$54,023,397	\$33,201,211	\$794,393,662
BEADLE	\$1,436,273,382	\$553,347,115	\$314,059,139	\$2,303,679,636
BENNETT	\$177,508,174	\$26,235,529	\$13,290,490	\$217,034,193
BON HOMME	\$690,045,534	\$139,137,496	\$59,563,790	\$888,746,820
BROOKINGS	\$1,012,481,235	\$1,216,355,485	\$793,184,800	\$3,022,021,520
BROWN	\$1,691,944,621	\$1,521,520,493	\$811,293,195	\$4,024,758,309
BRULE	\$766,595,095	\$152,519,688	\$119,639,186	\$1,038,753,969
BUFFALO	\$179,128,631	\$1,553,010	\$1,288,751	\$181,970,392
BUTTE	\$311,096,123	\$347,909,505	\$188,330,793	\$847,336,421
CAMPBELL	\$602,037,672	\$39,613,796	\$28,465,935	\$670,117,403
CHARLES MIX	\$1,029,133,422	\$200,694,080	\$147,298,158	\$1,377,125,660
CLARK	\$1,000,943,751	\$68,634,407	\$33,705,980	\$1,103,284,138
CLAY	\$596,660,345	\$358,607,123	\$227,937,674	\$1,183,205,142
CODINGTON	\$674,870,563	\$1,239,390,166	\$713,939,368	\$2,628,200,097
CORSON	\$440,125,508	\$14,938,060	\$20,751,897	\$475,815,465
CUSTER	\$142,092,024	\$532,259,005	\$350,133,125	\$1,024,484,154
DAVISON	\$490,652,680	\$735,471,500	\$540,711,906	\$1,766,836,086
DAY	\$930,518,888	\$202,197,134	\$174,202,439	\$1,306,918,461
DEUEL	\$670,195,305	\$149,038,716	\$80,144,022	\$899,378,043
DEWEY	\$291,358,206	\$21,385,195	\$25,811,958	\$338,555,359
DOUGLAS	\$522,047,546	\$63,816,456	\$30,609,208	\$616,473,210
EDMUNDS	\$1,114,539,847	\$132,633,303	\$106,098,299	\$1,353,271,449
FALL RIVER	\$145,381,280	\$242,577,030	\$159,079,110	\$547,037,420
FAULK	\$1,010,531,103	\$36,218,493	\$19,486,158	\$1,066,235,754
GRANT	\$666,599,489	\$219,508,268	\$119,270,921	\$1,005,378,678
GREGORY	\$494,962,798	\$105,050,763	\$60,817,380	\$660,830,941
HAAKON	\$482,776,605	\$32,694,869	\$33,209,265	\$548,680,739
HAMLIN	\$722,626,127	\$249,078,523	\$155,292,813	\$1,126,997,463
HAND	\$1,374,722,122	\$89,881,692	\$54,133,193	\$1,518,737,007
HANSON	\$504,320,842	\$110,356,116	\$34,099,192	\$648,776,150
HARDING	\$270,607,494	\$25,936,251	\$40,208,793	\$336,752,538
HUGHES	\$449,191,909	\$803,630,988	\$426,977,638	\$1,679,800,535
HUTCHINSON	\$1,086,148,508	\$183,040,664	\$78,446,454	\$1,347,635,626

County	Ag Real Valuation	Owener-Occupied Valuation	Other Valuation	Total Valuation
HYDE	\$622,297,420	\$28,444,637	\$26,558,511	\$677,300,568
JACKSON	\$277,741,043	\$24,716,659	\$21,426,344	\$323,884,046
JERAULD	\$487,629,629	\$37,290,889	\$37,146,453	\$562,066,971
JONES	\$296,672,399	\$17,293,865	\$18,382,730	\$332,348,994
KINGSBURY	\$1,089,822,351	\$169,060,983	\$91,393,800	\$1,350,277,134
LAKE	\$785,927,785	\$488,243,701	\$288,159,205	\$1,562,330,691
LAWRENCE	\$63,478,389	\$1,328,637,269	\$1,144,827,663	\$2,536,943,321
LINCOLN	\$763,411,356	\$3,810,134,278	\$1,599,108,014	\$6,172,653,648
LYMAN	\$641,750,294	\$68,345,568	\$70,659,096	\$780,754,958
MARSHALL	\$763,136,402	\$155,868,939	\$98,070,569	\$1,017,075,910
MC COOK	\$776,337,232	\$177,862,833	\$56,144,450	\$1,010,344,515
MC PHERSON	\$684,475,657	\$49,004,944	\$17,211,173	\$750,691,774
MEADE	\$646,754,791	\$1,253,164,606	\$464,744,211	\$2,364,663,608
MELLETTE	\$215,357,606	\$15,409,336	\$9,493,026	\$240,259,968
MINER	\$659,397,252	\$44,641,644	\$24,766,889	\$728,805,785
MINNEHAHA	\$916,911,027	\$8,478,555,963	\$5,412,285,392	\$14,807,752,382
MOODY	\$805,966,319	\$201,046,039	\$56,897,056	\$1,063,909,414
OGLALA LAKOTA	\$42,824,420	\$3,139,340	\$7,591,300	\$53,555,060
PENNINGTON	\$377,675,570	\$5,071,877,262	\$3,689,018,974	\$9,138,571,806
PERKINS	\$717,436,548	\$57,643,610	\$45,071,859	\$820,152,017
POTTER	\$771,440,590	\$65,698,344	\$57,247,159	\$894,386,093
ROBERTS	\$702,166,247	\$189,775,322	\$129,721,783	\$1,021,663,352
SANBORN	\$528,718,740	\$48,200,023	\$20,300,436	\$597,219,199
SPINK	\$1,785,054,288	\$150,195,716	\$101,071,058	\$2,036,321,062
STANLEY	\$299,597,113	\$164,266,744	\$99,330,450	\$563,194,307
SULLY	\$898,934,907	\$61,008,850	\$91,677,629	\$1,051,621,386
TODD	\$162,662,569	\$15,057,465	\$12,532,574	\$190,252,608
TRIPP	\$836,069,702	\$116,309,335	\$65,659,221	\$1,018,038,258
TURNER	\$894,639,815	\$344,438,681	\$153,598,405	\$1,392,676,901
UNION	\$682,258,012	\$940,805,755	\$384,526,629	\$2,007,590,396
WALWORTH	\$586,403,730	\$154,478,990	\$105,795,882	\$846,678,602
YANKTON	\$653,878,421	\$897,402,431	\$475,367,906	\$2,026,648,758
ZIEBACH	\$299,915,734	\$3,802,046	\$8,174,589	\$311,892,369

Contact Us



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Main Offices

DOR - Pierre Office - Anderson Building, 445 East Capitol Avenue, 605-773-3311

S.D. Lottery - 711 East Wells Avenue, 605-773-5770

S.D. Commission on Gaming - 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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