

July 2007

South Dakota  
Department of Revenue & Regulation

# Municipal Tax Information Bulletin

July 2007

## Tax Help That Works!

Find tax answers toll-free at **1-800-TAX-9188**.

E-mail: [bustax@state.sd.us](mailto:bustax@state.sd.us)

Website: [www.state.sd.us/drr](http://www.state.sd.us/drr)

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***Introduction to Municipal Sales Tax, Use Tax, and Gross Receipts Tax***

South Dakota law (SDCL 10-52 and 10-52A), allows municipalities to impose a municipal sales tax, use tax, and gross receipts tax. The South Dakota Department of Revenue & Regulation is the administrative and enforcement agency for municipal sales taxes, use taxes, and gross receipts taxes. Businesses report municipal sales tax, use tax, and gross receipts tax on the same tax return as they report the state sales tax and use tax. Only one tax return is needed to report and remit both state and municipal tax.

All retailers licensed to engage in a sales or use taxable business in South Dakota are also registered to collect and remit municipal sales tax, use tax, and gross receipts tax. State taxable receipts are subject to municipal sales tax, use tax, or gross receipts tax if the receipts come from business transacted or used within a city which imposes a tax. The municipal sales and use tax applies to every item or service that is subject to the state sales and use tax.

The one percent municipal gross receipts tax (BBB tax) is in addition to the municipal sales tax. The gross receipts tax can be imposed on alcoholic beverages, eating establishments, lodging accommodations, admissions to places of amusement, athletic and cultural events. The table that starts on page 4 includes a detailed outline of what is included in the BBB tax. If the municipal BBB tax applies to these services or products, an “x” will mean it is taxable. If there isn’t an “x,” the product or service is not subject to that city’s BBB tax. The table includes the municipality’s name, current municipal tax rate, the tax code, and the BBB Code.

Municipalities may impose or amend a municipal tax only on January 1 and July 1. Use the most recent municipal tax information to determine the proper tax rate. The updated rates are printed in the January and July issues of the department’s newsletter, *Taxation News*.

As of January 1, 2006, sales subject to state tax are also subject to municipal tax. The following were exempt from all municipal tax until January 1, 2006.

- Veterinarian and Animal Specialty Services
- Collection and Disposal of Solid Waste
- Farm Machinery and Irrigation Equipment
- Agricultural Animal Health Products and Medicine
- Parts or Repairs for Farm Machinery
- Air Transportation
- Transportation Services

Please contact the nearest Department of Revenue & Regulation office with any questions regarding municipal tax. Contacting the department may save you time and money.

***Special Jurisdictions***

At present, four Indian Tribes in South Dakota have tax collection agreements with the State that include sales, use and contractors’ excise taxes. The tax collection agreements ensure that all businesses making sales or providing construction services on property included in a tax collection agreement are subject to the same taxes, tax rates, and exemptions. All businesses, including those owned by tribal members, are responsible for collecting and remitting tax.

Indian country controlled by a Tribe that is part of a tax collection agreement is considered a Special Jurisdiction. All tax collected in each Special Jurisdiction is reported on the state tax return using the code assigned to that Special Jurisdiction. The tax remitted is then distributed between the State and Tribal Governments based on the tax collection agreements.

- Retail sales of taxable tangible personal property and services that are delivered in Special Jurisdictions are subject to 4% sales and use tax, plus applicable municipal tax.
- Receipts from construction services in Special Jurisdictions are subject to 2% contractors’ excise tax.

Do NOT collect and remit additional state tax on these transactions.

Be sure to contact the appropriate Tribal Tax Office whenever doing business on Indian country regarding additional licensing requirements that may be imposed by the tribe.

**Special Jurisdictions, codes, and tax rates.**

Special Jurisdiction		Code	Rate
<b>Cheyenne River Special Jurisdiction</b> - the Cheyenne River Indian Reservation, which is Dewey and Ziebach Counties, excluding a 500 foot strip of land in the northern most portions of Dewey and Ziebach Counties.	Cheyenne River Sales (CRST-ST)	408-4	4%
	Cheyenne River Excise (CRST-ET)	408-2	2%
<b>Oglala Special Jurisdiction</b> - the Pine Ridge Indian Reservation, which is Shannon County and that portion of Jackson County south of the White River. This Special Jurisdiction also includes the Allen Store in Allen, SD.	Oglala Sales (OGST-ST)	411-4	4%
	Oglala Excise (OGST-ET)	411-2	2%
<b>Rosebud Special Jurisdiction</b> - the Rosebud Indian Reservation, which is Todd County. This Special Jurisdiction also includes Indian country defined by 18 U.C.S. 1151 (b) and (c) in Mellette, Tripp, and portions of Gregory and Lyman Counties controlled by the Rosebud Sioux Tribe.	Rosebud Sales (RBST-ST)	412-4	4%
	Rosebud Excise (RBST-ET)	412-2	2%
<b>Standing Rock Special Jurisdiction</b> - the Standing Rock Indian Reservation, which is Corson County and a 500 foot strip of land in the northern most portions of Dewey and Ziebach Counties.	Standing Rock Sales (SRST-ST)	413-4	4%
	Standing Rock Excise (SRST-ET)	413-2	2%

***Cities in Special Jurisdictions***

The following South Dakota cities are located within Special Jurisdictions. Any taxable sales made to these locations should be reported under the Special Tax Jurisdiction code. In addition, the cities marked with an asterisk (\*) have a municipal tax rate which is reported in addition to the Special Jurisdiction amount. The municipal tax rate can be found in the city tax section of this bulletin.

<b>Standing Rock Special Jurisdiction</b>		<b>Cheyenne River Special Jurisdiction</b>		
Athboy	Morristown	Bear Creek	Green Grass	Promise
Bullhead	Thunder Hawk	Bridger	Glencross	Red Elm
Keldron	Trail City	Chase	Iron Lightning	Red Scaffold
Kenel	Wakpala	Cherry Creek	Isabel*	Ridgeview
Little Eagle	Walker	Dupree*	Lantry	Thunder Butte
Mahto	Watuaga	Eagle Butte	La Plant	Timber Lake*
Maple Leaf		Firesteel	Marksville	Whitehorse
McIntosh*		Glad Valley	Parade	
McLaughlin*				
<b>Rosebud Special Jurisdiction</b>		<b>Oglala (Pine Ridge) Special Jurisdiction</b>		
Antelope	Olsonville	Batesland	Porcupine	
Hidden Timber	Parmelee	Kyle	Potato Creek	
Lakeview	Rosebud	Long Valley	Red Shirt	
Littleburg	Soldier Creek	Manderson	Sharps Corner	
Mission*	Spring Creek	Oglala	Wanblee	
Okreek	St. Francis	Pine Ridge	Wounded Knee	

Additional information is available in the Tribal Tax Facts which can be viewed online at [www.state.sd.us/drr](http://www.state.sd.us/drr) or by calling 1-800-829-9188.

**JULY 2007 - MUNICIPAL TAX INFORMATION BULLETIN**

City	MUNICIPAL SALES TAX		GROSS RECEIPTS TAX - IN ADDITION TO MUNICIPAL SALES TAX					
	Jul '07 Rate	General Code	Jul '07 Gross Receipts Tax	Tax Code	Lodging	Eating Establishments	Alcohol	Admissions
Aberdeen	2.00%	001-2	1.00%	001-1	X	X	X	X
Akaska	2.00%	004-2						
Alcester	2.00%	006-2						
Alexandria	2.00%	007-2						
Alpena	1.00%	009-2						
Arlington	2.00%	013-2						
Armour	2.00%	014-2						
Artesian	2.00%	015-2						
Aurora	1.00%	019-2						
Avon	2.00%	020-2						
Baltic	2.00%	022-2	1.00%	022-1	X	X	X	X
Belle Fourche	2.00%	027-2	1.00%	027-1	X	X	X	X
Belvidere	2.00%	028-2						
Beresford	2.00%	029-2	1.00%	029-1	X	X	X	X
Big Stone City	1.00%	031-2						
Blunt	1.00%	034-2	1.00%	034-1			X	
Bonesteel	1.00%	035-2						
Bowdle	2.00%	036-2						
Box Elder	2.00%	037-2	1.00%	037-1	X	X	X	X
Brandon	2.00%	039-2	1.00%	039-1	X	X	X	X
Brandt	2.00%	040-2						
Bridgewater	2.00%	042-2						
Bristol	2.00%	043-2						
Britton	2.00%	044-2	1.00%	044-1	X	X	X	X
Brookings	2.00%	045-2	1.00%	045-1	X	X	X	X
Bryant	1.00%	047-2						
Buffalo	1.00%	048-2						
Burke	2.00%	053-2						
Canistota	2.00%	055-2						
Canova	1.95%	056-2						
Canton	2.00%	057-2						
Carthage	2.00%	061-2						
Castlewood	2.00%	062-2						
Centerville	2.00%	065-2	1.00%	065-1	X	X	X	X
Central City	2.00%	066-2						
Chamberlain	2.00%	067-2	1.00%	067-1	X	X	X	X
Chancellor	2.00%	068-2	1.00%	068-1	X	X	X	X
Clark	2.00%	073-2						
Clear Lake	2.00%	075-2						
Colman	2.00%	076-2						
Colome	2.00%	077-2						
Colton	2.00%	078-2	1.00%	078-1	X	X	X	X
Corona	2.00%	081-2						
Corsica	2.00%	082-2	1.00%	082-1	X	X	X	X
Crooks	1.90%	087-2						
Custer	2.00%	088-2	1.00%	088-1	X	X	X	X
Dallas	2.00%	089-2	1.00%	089-1	X	X	X	X

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	Jul '07 Rate	General Code	Jul '07 Gross Receipts Tax	Tax Code	Lodging	Eating Establishments	Alcohol	Admissions
Davis	2.00%	091-2						
Deadwood	2.00%	093-2	1.00%	093-1	X	X	X	X
Dell Rapids	2.00%	094-2	1.00%	094-1	X	X	X	X
Delmont	2.00%	095-2						
DeSmet	2.00%	092-2	1.00%	092-1	X	X	X	X
Dimock	2.00%	097-2						
Doland	1.00%	098-2						
Dupree	1.00%	101-2						
Eden	1.00%	103-2						
Edgemont	2.00%	104-2	1.00%	104-1	X	X	X	X
Egan	2.00%	105-2						
Elk Point	2.00%	106-2						
Elkton	2.00%	107-2						
Emery	2.00%	110-2						
Estelline	1.00%	113-2						
Ethan	2.00%	114-2						
Eureka	2.00%	115-2						
Faith	2.00%	119-2	1.00%	119-1	X	X	X	X
Faulkton	2.00%	121-2						
Flandreau	2.00%	125-2	1.00%	125-1	X	X	X	X
Florence	2.00%	126-2						
Fort Pierre	2.00%	129-2	1.00%	129-1	X	X	X	X
Freeman	2.00%	133-2						
Garretson	2.00%	138-2						
Gary	1.00%	139-2						
Gayville	2.00%	140-2						
Geddes	2.00%	141-2						
Gettysburg	2.00%	142-2	1.00%	142-1	X	X	X	X
Glenham	2.00%	145-2						
Gregory	2.00%	147-2						
Groton	2.00%	149-2	1.00%	149-1	X	X	X	
Harrisburg	2.00%	151-2	1.00%	151-1	X	X	X	X
Harrold	1.00%	153-2						
Hartford	2.00%	154-2	1.00%	154-1	X	X	X	X
Hayti	2.00%	156-2						
Hazel	1.00%	157-2						
Hecla	1.00%	158-2						
Henry	1.00%	159-2						
Hermosa	2.00%	160-2						
Herreid	1.00%	161-2						
Highmore	2.00%	164-2	1.00%	164-1	X	X	X	X
Hill City	2.00%	165-2	1.00%	165-1	X	X	X	X
Hitchcock	1.00%	166-2						
Hosmer	1.00%	168-2						
Hot Springs	2.00%	169-2	1.00%	169-1	X	X	X	X
Hoven	2.00%	171-2						
Howard	2.00%	172-2						

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	Jul '07 Rate	General Code	Jul '07 Gross Receipts Tax	Tax Code	Lodging	Eating Establishments	Alcohol	Admissions
Hudson	1.00%	174-2						
Humboldt	2.00%	175-2	1.00%	175-1	X	X	X	X
Hurley	2.00%	176-2						
Huron	2.00%	177-2	1.00%	177-1	X	X	X	X
Interior	1.90%	179-2						
Ipswich	2.00%	181-2						
Irene	2.00%	182-2						
Iroquois	1.00%	183-2						
Isabel	2.00%	184-2						
Java	1.00%	185-2						
Jefferson	2.00%	186-2						
Kadoka	2.00%	187-2	1.00%	187-1	X	X	X	
Kennebec	2.00%	190-2	1.00%	190-1	X	X	X	
Keystone	2.00%	192-2	1.00%	192-1	X	X	X	X
Kimball	2.00%	193-2	1.00%	193-1	X	X	X	X
Kranzburg	2.00	194-2						
Lake Andes	2.00%	197-2						
Lake Norden	1.00%	199-2						
Lake Preston	2.00%	200-2						
Langford	1.00%	202-2						
Lead	2.00%	204-2	1.00%	204-1	X	X	X	X
Lemmon	2.00%	206-2						
Lennox	2.00%	207-2						
Leola	2.00%	208-2						
Lesterville	1.00%	209-2						
Letcher	2.00%	210-2	1.00%	210-1	X	X	X	
Madison	2.00%	221-2	1.00%	221-1	X	X	X	
Marion	2.00%	226-2						
Martin	2.00%	227-2	1.00%	227-1	X	X	X	X
McCook Lake	2.00%	258-2						
McIntosh	1.00%	219-2						
McLaughlin	1.00%	220-2						
Menno	2.00%	233-2						
Midland	2.00%	234-2						
Milbank	2.00%	235-2	1.00%	235-1	X	X	X	
Miller	2.00%	237-2						
Mission	1.75%	239-2						
Mitchell	2.00%	242-2	1.00%	242-1	X	X	X	
Mobridge	2.00%	243-2	1.00%	243-1	X	X	X	
Monroe	1.00%	244-2						
Montrose	2.00%	245-2						
Mound City	1.00%	247-2						
Mount Vernon	2.00%	248-2	1.00%	248-1	X	X	X	X
Murdo	2.00%	250-2	1.00%	250-1	X	X	X	X
New Underwood	2.00%	254-2						
Newell	2.00%	255-2						

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	Jul '07 Rate	General Code	Jul '07 Gross Receipts Tax	Tax Code	Lodging	Eating Establishments	Alcohol	Admissions
Niskand	2.00%	256-2						
North Sioux City	2.00%	258-2	1.00%	258-1	X	X	X	X
Oacoma	2.00%	261-2	1.00%	261-1	X	X	X	X
Olivet	1.00%	267-2						
Onida	2.00%	269-2						
Parker	2.00%	276-2						
Parkston	2.00%	277-2	1.00%	277-1	X	X	X	
Philip	2.00%	280-2						
Pickstown	2.00%	281-2						
Pierpont	2.00%	283-2						
Pierre	2.00%	284-2	1.00%	284-1	X	X	X	X
Plankinton	2.00%	286-2						
Platte	2.00%	287-2	1.00%	287-1	X	X	X	
Pollock	1.00%	288-2						
Presho	2.00%	291-2						
Pringle	2.00%	292-2						
Quinn	1.00%	295-2	1.00%	295-1	X	X	X	X
Ramona	1.00%	297-2						
Rapid City	2.00%	298-2	1.00%	298-1	X	X	X	X
Redfield	2.00%	301-2	1.00%	301-1	X	X	X	
Reliance	2.00%	305-2	1.00%	305-1	X	X	X	
Reville	1.00%	308-2						
Roscoe	1.00%	312-2						
Rosholt	1.00%	314-2						
Roslyn	2.00%	315-2						
Saint Lawrence	2.00%	320-2						
Salem	2.00%	322-2						
Scotland	2.00%	324-2						
Selby	1.00%	325-2						
Sherman	1.00%	328-2						
Sioux Falls	1.92%	330-2	1.00%	330-1	X	X	X	X
Sisseton	2.00%	331-2	1.00%	331-1	X	X		
South Shore	1.00%	333-2						
Spearfish	2.00%	334-2	1.00%	334-1	X	X	X	X
Spencer	2.00%	335-2						
Springfield	2.00%	336-2						
Stickney	2.00%	337-2						
Stratford	1.00%	340-2						
Sturgis	2.00%	341-2	1.00%	341-1	X	X	X	X
Summerset	2.00%	425-2	1.00%	425-1	X	X	X	X
Summit	2.00%	342-2						
Tabor	2.00%	343-2						
Tea	2.00%	344-2	1.00%	344-1	X	X	X	X
Timber Lake	2.00%	345-2						
Toronto	1.00%	347-2						
Trent	1.00%	349-2						

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	Jul '07 Rate	General Code	Jul '07 Gross Receipts Tax	Tax Code	Lodging	Eating Establishments	Alcohol	Admissions
Tripp	2.00%	350-2						
Tulare	1.00%	351-2						
Tyndall	2.00%	355-2						
Valley Springs	2.00%	359-2						
Veblen	1.00%	360-2						
Vermillion	2.00%	362-2	1.00%	362-1	X	X	X	X
Viborg	2.00%	363-2	1.00%	363-1	X	X	X	X
Volga	1.00%	367-2						
Volin	1.00%	368-2						
Wagner	2.00%	369-2						
Wakonda	1.00%	370-2						
Wall	2.00%	372-2	1.00%	372-1	X	X	X	X
Warner	2.00%	376-2						
Wasta	1.00%	377-2						
Watertown	2.00%	379-2	1.00%	379-1	X	X	X	X
Waubay	2.00%	380-2						
Webster	2.00%	382-2	1.00%	382-1	X	X	X	X
Wentworth	2.00%	383-2						
Wessington	1.00%	384-2						
Wessington Springs	2.00%	385-2						
White	2.00%	388-2						
White Lake	2.00%	389-2	1.00%	389-1	X	X	X	X
White River	2.00%	391-2						
Whitewood	2.00%	393-2	1.00%	393-1	X	X	X	X
Willow Lake	2.00%	394-2						
Wilmot	2.00%	395-2						
Winner	2.00%	397-2						
Witten	2.00%	398-2						
Wolley	2.00%	399-2						
Woonsocket	2.00%	401-2						
Worthing	2.00%	402-2	1.00%	402-1	X	X	X	X
Yankton	2.00%	405-2	1.00%	405-1	X	X	X	X
<b>Other Taxes</b>	<b>Rate</b>	<b>Code</b>						
Telecommunication Tax	4.00%	900-1						
Tourism Tax	1.00%	700-1						
Motor Vehicle	4.50%	600-1						
Sioux Falls Lodging	1.00%	800-1						
<b>Special Jurisdiction</b>	<b>Code</b>	<b>Rate</b>	<b>Effective Date</b>		<b>Tax Return Designation</b>			
Cheyenne River Sales	408-4*	4.00%	3/1/88		CRST-ST			
Cheyenne River Excise	408-2	2.00%	1/1/86		CRST-ET			
Pine Ridge Sales	411-4*	4.00%	3/1/88		OGST-ST			
Pine Ridge Excise	411-2	2.00%	5/1/89		OGST-ET			
Rosebud Sales	412-4*	4.00%	3/1/88		RBST-ST			
Rosebud Excise	412-2	2.00%	6/1/84		RBST-ET			
Standing Rock Sales	413-4*	4.00%	3/1/91		SRST-ST			
Standing Rock Excise	413-2	2.00%	3/1/91		SRST-ET			

***Glossary of Terms***

**Admissions to Places of Amusement, Athletic, and Cultural Events** - sales of tickets and charges or fees to movie theaters, carnival rides, tourist attractions, swimming pools, bowling alleys, tennis courts, racquet ball courts, concerts, operas, ballets, sports contests, similar activities or events and membership fees to health and fitness centers, golf clubs, etc.

**Alcoholic Beverages** - alcoholic beverages as defined in SDCL 35-1-1 (on or off-sale liquor, wine, and beer).

**Eating Establishments** - businesses where the public is invited to eat, dine or purchase and carry out prepared food for immediate consumption, including snack bars and concession stands at movie theaters.

**General Sales and Use Tax Rate** - city sales and use tax rate that applies to all sales of tangible personal property and services transacted within the jurisdiction of the city unless specifically exempt or taxed at a higher rate as provided in the municipal sales and use tax ordinance or in state law.

**Lodging Accommodations** - lease or rental of hotel/motel rooms, campsites or other lodging accommodations for periods of less than twenty-eight consecutive days.

**Vending Machine Receipts** - includes receipts resulting from coin-operated devices that vend tangible personal property which are subject to the 4% state sales tax pursuant to SDCL 10-45-2. In addition to the state sales tax rate, the highest municipal sales tax rate applies to vending machines which sell multiple items which are taxed at different rates, unless the vendor maintains inventories and records documenting actual sales by type of item. For more information on coin-operated machines, see the table on page 10.

**JULY 2007 - MUNICIPAL TAX INFORMATION BULLETIN**

<b>Type of Machine</b>	<b>Tax on Machine</b>	<b>Tax on Repair Parts/Service</b>	<b>Tax on Receipts</b>	<b>Other</b>
<b>Amusement</b> (includes pinball machines, jukeboxes, coin-operated pool tables, etc.)	State sales tax; no municipal sales tax	State sales tax; no municipal sales tax	4% amusement device tax; no municipal sales tax	\$12 decal is purchased annually in lieu of municipal sales tax
<b>Vending</b>	State and municipal sales tax	State and municipal sales tax	4% state tax; municipal sales tax based on type of product; the highest rate applies if multiple items sold, unless vendor maintains records by type of item	Tax can be backed out of gross; call nearest Revenue & Regulation office for the factor you may use in backing out the tax
<b>Washers/Dryers</b>	State and municipal sales tax	State and municipal sales tax	Exempt from state and municipal sales tax	Each machine must have a license, \$8 - \$10 annually, in lieu of state and municipal sales tax on gross receipts
<b>Video Lottery</b>	State sales tax; no municipal sales tax	State sales tax; no municipal sales tax	Exempt from state and municipal sales tax (city may implement a per machine fee)	No decal required
<b>Slot Machines</b> (Deadwood)	State and municipal sales tax	State and municipal sales tax	Exempt from state and municipal sales tax	None

**Contact Us**

If you have a tax problem or question, feel free to contact the South Dakota Department of Revenue & Regulation's toll-free help line at **1-800-TAX-9188**, visit our web site at [www.state.sd.us/drr](http://www.state.sd.us/drr), email us at [bustax@state.sd.us](mailto:bustax@state.sd.us) or write us:

**South Dakota  
Department of Revenue & Regulation**

Business Tax Division | 445 East Capitol Avenue | Pierre, SD 57501-3185

**Aberdeen Area Office**  
419 Moccasin Drive  
Aberdeen, SD 57401-5085

**Mitchell Area Office**  
417 N. Main, Suite 112  
P.O. Box 1103  
Mitchell, SD 57301-7103

**Rapid City Area Office**  
4447 S. Canyon Rd., Suite 6  
Rapid City, SD 57702-1889

**Sioux Falls Area Office**  
230 S. Phillips, Suite 301  
Sioux Falls, SD 57104-6321

**Watertown Area Office**  
1505 10th Ave. SE, Suite 1  
Watertown, SD 57201-5300

**Yankton Area Office**  
1900 Summit Street  
PO Box 859  
Yankton, SD 57078