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2009 Sturgis Rally Vendor Tax Revenues Up

PIERRE, S.D. – Despite reports of reduced bike counts and fewer vendor licenses for the 2009 Sturgis Motorcycle Rally, sales tax revenues increased this year from the 2008 rally.

The South Dakota Department of Revenue and Regulation reports that sales and tourism tax revenues collected from temporary vendors at this year's rally totaled \$862,107 in the Northern Hills, which includes Sturgis and all other communities in Meade and Lawrence counties. Those revenues were up \$100,778 from last year's total of \$761,329.

A portion of the higher total is attributed to the increase in South Dakota's tourism tax, which was raised to 1.5 percent on July 1. It was previously 1 percent.

Tax revenues from this year's rally will continue to be collected over the next few weeks, even though the last official day was Aug. 10.

Of the \$862,107 collected so far this year, \$476,465 was state sales tax, \$199,574 was municipal sales tax, \$7,716 was municipal gross receipts tax, and \$178,352 was state tourism tax revenue.

There were 1,149 vendors displaying and selling products at the 2009 rally, compared to 1,191 in 2008 and 1,327 in 2007. Gross vendor sales totaled \$11,918,615 this year in the Northern Hills area – an increase of \$541,183 from last year's gross sales of \$11,377,432.

The Southern Hills – including Rapid City, Custer, Hill City, and Keystone, along with Pennington County – posted vendor sales tax revenues of \$189,420. Of that amount, \$101,272 was state sales tax, \$48,907 was municipal sales tax, \$1,329 was municipal gross receipts tax, and \$37,912 was state tourism tax. Those revenues were up \$59,010 from the \$130,410 reported in 2008.

Gross vendor sales from the 2009 Sturgis Motorcycle Rally totaled \$2,531,789 in the Southern Hills – an increase of \$673,270 from 2008 gross sales of \$1,858,519.

Tax rates for the biker rally varied, depending on the types of merchandise sold and the locations of the concessions.