



This Week in State Tax (TWIST)

March 27, 2023



SOUTH DAKOTA



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South Dakota: Temporary Sales Tax Rate Reduction Enacted

Legislation (House Bill 1137) was recently enacted in South Dakota that temporarily reduces the state's gross receipts tax rate. The gross receipts tax, which is South Dakota's sales and use tax equivalent, is imposed on all types of goods and a wide range of services. Currently, the gross receipts tax rate is 4.5 percent. House Bill 1137 reduces that rate to 4.2 percent, effective July 1, 2023. The amendments to the gross receipts tax imposition statutes are repealed on June 30, 2027, at which time the 4.5 percent rate will be reinstated. Please stay tuned to TWIST for future rate updates.



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