

SOUTH DAKOTA LEGISLATIVE RESEARCH COUNCIL

2023 South Dakota Legislature

FISCAL NOTE 2023-FN1137A

HB1137, An Act to reduce certain gross receipts tax rates and a use tax rate, and to repeal a conditional reduction of certain gross receipts tax rates.

This bill would lower the state sales and use tax rate from 4.5% to 4.0%. The bill also repeals language regarding reducing the state sales and use tax rate when collecting net review remitted by remote sellers.

The estimated fiscal impact of this bill is a reduction in state sales tax revenue of \$173,541,667, which is calculated by taking the sales tax revenue estimate of \$1,561,875,000 for FY 2024, which the Joint Committee on Appropriations adopted on February 15, 2023, times 0.1111111.

APPROVED BY: /s/ Reed Holwegner
Director, Legislative Research Council

DATE: 2/15/2023
