

SOUTH DAKOTA DEPARTMENT OF REVENUE

Performance Indicators

Presentation to the Government Operations
and Audit Committee

September 8, 2026

Michael S. Houdyshell – DOR Secretary



AGENDA

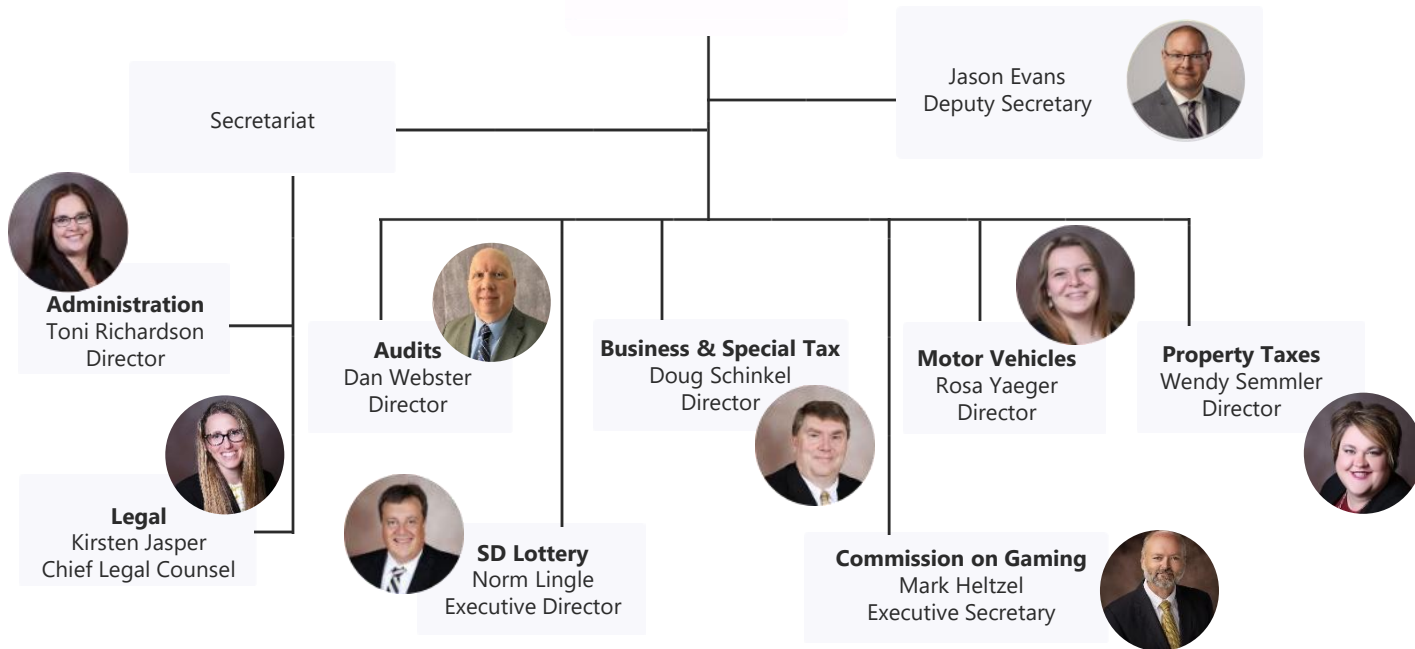
- Agency Overview
- Performance Measures



Department of Revenue Leadership



Michael Houdyshell
Secretary





Secretariat

- Office of the Secretary
- Administration
 - Budget, Finance, Internal Controls
 - Communications, Education, Strategic Planning
 - Technology Support, Project Mgmt., Continuous Improvement
- Legal Services
 - Legal Representation
 - Investigative Services Bureau

Business and Special Taxes

- Licensing, Collections, Education
- Regulation of Tobacco and Alcohol industries
- Tribal Tax Collection Agreements

Property Tax

- Oversight of county property tax systems
- Productivity system for Ag. land
- Training and certification of county assessors

Motor Vehicles

- Title and Registration
- License Plates
- Motor Fuel
- Licensing of Trucking Industry
- Licensing and regulation of Motor Vehicle Dealers

SD Lottery

- Regulation of Video Lottery Industry
- Marketing Instant and On-line Lottery
 - Scratch Tickets
 - Lotto Games (Powerball, Mega Millions, etc.)



Commission on Gaming

- Regulation of gaming industry in:
 - City of Deadwood
 - Pari-mutuel horse racing
 - Pari-mutuel wagering
- Assistance with Tribal gaming compacts

Audit

- Compliance
- Information Verification of Return Data
- One-on-One Training

Mission

Proactively providing fair and consistent revenue administration for South Dakota.

Vision

To continue developing an efficient, accessible, and adaptable team of public servants leading South Dakota into the future.

Values

Dedication

We are committed to the work we do and promise to push through challenges to achieve our goals.

Integrity

We pride ourselves in being held responsible to our stakeholders and partners while being trustworthy stewards of public dollars.

Innovation

We encourage forward thinking, embrace new ideas, foster a culture of creativity, and look for ways to improve customer and employee experiences.

Accountability

We carry out our work with transparency and take responsibility for our actions and decisions.

Goal 1



License every business/retailer, individual, device, and vehicle as required by law to do business and/or operate in South Dakota.

Goal 1 – License

Measure	Actual	Target	Trend	Status
i. Percent of motor vehicle titles that require correction or additional documentation	5.5%	< 5.0%		
ii. Percent of video lottery establishments inspected annually	90.7%	>= 90.0%		
iii. Percent of license applications worked within 7 days				
a. Business Tax	90.0%	>= 90%		
b. Dealer	83.5%	>= 90%		
c. Motor Carrier	58.7%	>= 90%		
d. Motor Fuel	88.6%	>= 90%		

Goal 2



Ensure licensees and partners are compliant with state laws through targeted and consistent regulatory efforts.

Goal 2 Activity A – Regulate

Measure		Actual	Target	Trend	Status
i.	Percent of audits given a quality distinct audit (QDA) to ensure accuracy of tax assessments	86.0%	$\geq 75.0\%$		
ii.	Percent of auditors on-track to complete required number of QDAs	85.0%	$\geq 90.0\%$		
iii.	Percent of zero audits finished in less than 32 Hours to reduce audit cycle time	63.0%	$\geq 75.0\%$		
iv.	Percent of gaming revenue audits completed within expected timeframe	70.0%	$\geq 75.0\%$		
v.	Percent of gaming operators with a minimum of two observations completed in a year	99.8%	100%		
vi.	Percent of audited auto-issued motor vehicle titles that require correction or additional documentation	NA	NA		

Goal 2 Activity A – Regulate (cont.)

Measure	Actual	Target	Trend	Status
vii. Percent of business tax discovery leads worked and closed within 90 days	83.0%	$\geq 85.0\%$		
viii. Percent of motor fuel unlicensed and non-compliant license leads worked and closed within 90 days	86.8%	$\geq 90.0\%$		
ix. Property Tax county levy approval average turnaround time in days	26	≤ 29		
x. The number of counties requiring an equalization factor greater than 1.000	4	0		
xi. Percent of new tax increment district (TIF) base valuations worked within 10 working days	NA	NA		

Goal 2 Activity B – Stakeholder Outreach & Education

Measure		Actual	Target	Trend	Status
i.	Total number of routine license reviews	1,646	1,514		
ii.	Percent of annual assessor school attendees that pass the required course test.	98.8%	100%		
iii.	Number of DOR provided seminars and classes	36	NA		
iv.	Number of attendees of DOR provided seminars and classes	1,859	NA		

Goal 3



Collect all monies due to the State and our partners, accurately account for the funds, and distribute the monies according to state law.

Goal 3 – Collect

Measure	Actual	Target	Trend	Status
i. Reduce tax return delinquency rate	9.7%	0%		
ii. Increase business tax returns filed electronically	88.7%	100%		
iii. Increase business tax revenue collected electronically	97.6%	100%		
iv. Reduce the number of business tax zero returns filed on paper by 5% annually	34,646	NA		
v. Percent of transactions that require motor vehicle excise tax adjustments	0.5%	< 1.0%		
vi. Increase the percent of lottery prizes paid through mobile cashing	25.5%	>= 25.0%		

Goal 4



Provide excellent customer service and tools to become licensed and compliant with all state laws.

Goal 4 – Customer Support & Tools

Measure	Actual	Target	Trend	Status
i. Business Tax Division Contact Center				
a. Abandoned Call Rate	1.2%	<= 2.0%		
b. Abandoned Chat Rate	0.7%	<= 2.0%		
ii. Motor Vehicle Division Contact Center				
a. Abandoned Call Rate	4.6%	< 5.0%		
b. Abandoned Chat Rate	13.1%	< 3.0%		

Goal 4 (cont.) – Customer Support & Tools

Measure	Actual	Target	Target	Status
iii. Increase "Responsible Gambling" advertisement views by 8.5% annually	4,833,328	> = 4,113,495		
iv. Increase the average number of views per paid lottery advertisement for digital campaigns by 2.5% annually	10,376,436	> = 9,955,996		
v. Increase motor carrier online portal usage for renewals and filing	80.0%	> = 80.0%		
vi. Increase vehicle renewal notices sent electronically via 605Drive	25.0%	> = 25.0%		
vii. Increase motor vehicle kiosk and my605Drive portal usage	25.0%	> = 20.0%		

Questions?



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