

Department of Revenue

Fiscal Year 2026 Budget Brief Detail

Information contained in this document is based on the Governor's FY2026 Budget and may not correspond with the final budget adopted by the Legislature.

Major Items Summary - Department of Revenue

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
FY 2026 Base Budget	\$1,191,914	\$397,295	\$108,154,405	\$109,743,614	261.5	\$1,191,914	\$397,295	\$108,154,405	\$109,743,614	261.5
1. Close Mitchell and Watertown Field Offices	\$0	\$0	\$0	\$0	0.0	\$0	\$0	(\$167,281)	(\$167,281)	(2.0)
2. Eliminate 1 FTE from Motor Vehicle	\$0	\$0	\$0	\$0	0.0	\$0	\$0	(\$51,874)	(\$51,874)	(1.0)
3. Increased cost of 605Drive	\$0	\$0	\$0	\$0	0.0	\$0	\$0	\$1,400,000	\$1,400,000	0.0
4. Lower Cost of Data for Land Assessment	\$0	\$0	\$0	\$0	0.0	(\$60,000)	\$0	\$0	(\$60,000)	0.0
5. Sioux Falls One Stop Rent	\$0	\$0	\$275,000	\$275,000	0.0	\$0	\$0	\$275,000	\$275,000	0.0
FY 2026 Total Budget	\$1,191,914	\$397,295	\$108,429,405	\$110,018,614	261.5	\$1,131,914	\$397,295	\$109,610,250	\$111,139,459	258.5
Change from Base Budget	\$0	\$0	\$275,000	\$275,000	0.0	(\$60,000)	\$0	\$1,455,845	\$1,395,845	(3.0)
% Change from Base Budget	0.0%	0.0%	0.3%	0.3%	0.0%	(5.0%)	0.0%	1.3%	1.3%	(1.1%)

Department of Revenue Budget Request

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$892,446	\$1,099,945	\$1,166,940	\$1,191,914	\$1,191,914	\$1,131,914	(\$60,000)
Federal	\$546,580	\$334,949	\$392,064	\$397,295	\$397,295	\$397,295	\$0
Other	\$103,725,937	\$110,044,858	\$113,736,993	\$108,154,405	\$108,429,405	\$109,610,250	\$1,455,845
Total	\$105,164,963	\$111,479,752	\$115,295,997	\$109,743,614	\$110,018,614	\$111,139,459	\$1,395,845
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Secretariat	\$4,363,749	\$4,813,709	\$5,298,399	\$5,339,589	\$5,614,589	\$5,559,589	\$220,000
Business Tax	\$5,619,770	\$6,653,878	\$6,847,213	\$7,550,364	\$7,550,364	\$7,494,224	(\$56,140)
Motor Vehicles	\$10,441,734	\$11,698,526	\$12,918,811	\$11,842,560	\$11,842,560	\$13,190,686	\$1,348,126
Property Taxes	\$892,446	\$1,099,945	\$1,166,940	\$1,191,914	\$1,191,914	\$1,131,914	(\$60,000)
Audits	\$4,907,352	\$5,849,797	\$6,242,235	\$6,366,424	\$6,366,424	\$6,310,283	(\$56,141)
Instant and On-line Operations - Info	\$65,887,008	\$68,107,604	\$68,426,770	\$63,136,978	\$63,136,978	\$63,136,978	\$0
Video Lottery	\$2,429,123	\$2,527,476	\$2,968,514	\$2,995,987	\$2,995,987	\$2,995,987	\$0
Commission on Gaming - Info	\$10,623,781	\$10,728,818	\$11,427,115	\$11,319,798	\$11,319,798	\$11,319,798	\$0

By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Total	\$105,164,963	\$111,479,752	\$115,295,997	\$109,743,614	\$110,018,614	\$111,139,459	\$1,395,845
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$18,324,419	\$21,481,967	\$23,245,016	\$24,084,382	\$24,084,382	\$23,920,227	(\$164,155)
Salaries	\$14,050,297	\$16,558,151	\$17,792,441	\$18,512,121	\$18,512,121	\$18,347,966	(\$164,155)
Benefits	\$4,274,122	\$4,923,816	\$5,452,575	\$5,572,261	\$5,572,261	\$5,572,261	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$86,840,544	\$89,997,785	\$91,017,711	\$85,659,232	\$85,934,232	\$87,219,232	\$1,560,000
Travel	\$565,093	\$539,070	\$827,098	\$741,461	\$741,461	\$741,461	\$0
Contractual Services	\$70,957,876	\$74,089,057	\$74,447,465	\$68,841,589	\$69,116,589	\$70,401,589	\$1,560,000
Supplies	\$5,665,408	\$5,083,189	\$5,755,713	\$5,570,141	\$5,570,141	\$5,570,141	\$0
Grants	\$8,832,121	\$8,990,677	\$9,338,050	\$9,175,000	\$9,175,000	\$9,175,000	\$0
Capital Outlay	\$383,822	\$894,928	\$356,385	\$1,038,041	\$1,038,041	\$1,038,041	\$0
Other Expenses and Budgeted Operating Transfers Out	\$436,223	\$400,864	\$293,000	\$293,000	\$293,000	\$293,000	\$0
Total	\$105,164,963	\$111,479,752	\$114,262,727	\$109,743,614	\$110,018,614	\$111,139,459	\$1,395,845
Full-Time Equivalent (FTE)	241.29	252.24	261.5	261.5	261.5	258.5	(3.0)

Reversions and Unutilized FTE (02)

	General	Federal	Other
Original Appropriation FY2024	\$1,022,347	\$329,819	\$102,428,611
Pool Distributions	\$94,874	\$30,970	\$3,045,936
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$49,719	\$31,275	\$8,262,446
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$1,166,940	\$392,064	\$113,736,993
FY2024 Expenditures	\$1,099,945	\$334,949	\$110,044,858
Reversion of Authority Unutilized FTE	\$66,995	\$57,115	\$3,692,135 9.3

Administration, Secretary of Revenue (0210)

To provide the revenue necessary for the support of state and local government programs through the fair and consistent application of the tax laws and through a comprehensive program of education that explains the responsibilities and rights of the taxpayers; to establish and implement policy decisions that affect the management of the department; to ensure the department's fiscal responsibility by utilizing all appropriate monies in an efficient and accountable manner; to account for and distribute revenues according to SDCL; to maximize automated systems, while minimizing administrative costs; to provide research and technology assistance; to provide legal assistance to the department; to actively investigate and prosecute violations of the criminal statutes of the revenue code.

Administration works on the budget, finances, and procurement, technology support, social media and public information requests, internal and external education, continuous improvement, strategic planning, and project management.

Major Items Summary: Administration, Secretary of Revenue (0210)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
FY 2026 Base Budget	\$0	\$0	\$5,339,589	\$5,339,589	30.0	\$0	\$0	\$5,339,589	\$5,339,589	30.0
1. Close Mitchell and Watertown Field Offices	\$0	\$0	\$0	\$0	0.0	\$0	\$0	(\$55,000)	(\$55,000)	0.0
2. Sioux Falls One Stop Rent	\$0	\$0	\$275,000	\$275,000	0.0	\$0	\$0	\$275,000	\$275,000	0.0
FY 2026 Total Budget	\$0	\$0	\$5,614,589	\$5,614,589	30.0	\$0	\$0	\$5,559,589	\$5,559,589	30.0
Change from Base Budget	\$0	\$0	\$275,000	\$275,000	0.0	\$0	\$0	\$220,000	\$220,000	0.0
% Change from Base Budget	0.0%	0.0%	5.2%	5.2%	0.0%	0.0%	0.0%	4.1%	4.1%	0.0%

1. Close Mitchell and Watertown Field Offices

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$0	\$0	0.00
Governor's Recommendation	\$0	\$0	(\$55,000)	(\$55,000)	0.00

2. Sioux Falls One Stop Rent

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$275,000	\$275,000	0.00
Governor's Recommendation	\$0	\$0	\$275,000	\$275,000	0.00

Reversions and Unutilized FTE (0210)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$4,503,309
Pool Distributions	\$0	\$0	\$413,024
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$382,066
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$5,298,399
FY2024 Expenditures	\$0	\$0	\$4,813,709
Reversion of Authority	\$0	\$0	\$484,690
Unutilized FTE			3.4

Budget Request: Administration, Secretary of Revenue (0210)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$4,363,749	\$4,813,709	\$5,298,399	\$5,339,589	\$5,614,589	\$5,559,589	\$220,000
Total	\$4,363,749	\$4,813,709	\$5,298,399	\$5,339,589	\$5,614,589	\$5,559,589	\$220,000

By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Secretariat	\$4,363,749	\$4,813,709	\$5,298,399	\$5,339,589	\$5,614,589	\$5,559,589	\$220,000
Total	\$4,363,749	\$4,813,709	\$5,298,399	\$5,339,589	\$5,614,589	\$5,559,589	\$220,000

By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$2,290,537	\$2,707,585	\$3,038,243	\$3,148,494	\$3,148,494	\$3,148,494	\$0
Salaries	\$1,801,145	\$2,135,417	\$2,366,917	\$2,461,592	\$2,461,592	\$2,461,592	\$0
Benefits	\$489,392	\$572,168	\$671,326	\$686,902	\$686,902	\$686,902	\$0

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$2,073,212	\$2,106,124	\$2,260,156	\$2,191,095	\$2,466,095	\$2,411,095	\$220,000
Travel	\$48,214	\$34,718	\$61,124	\$67,081	\$67,081	\$67,081	\$0
Contractual Services	\$1,789,064	\$1,723,164	\$2,102,057	\$1,905,347	\$2,180,347	\$2,125,347	\$220,000
Supplies	\$99,437	\$92,789	\$81,625	\$99,867	\$99,867	\$99,867	\$0
Capital Outlay	\$136,497	\$255,452	\$15,350	\$118,800	\$118,800	\$118,800	\$0

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Total	\$4,363,749	\$4,813,709	\$5,298,399	\$5,339,589	\$5,614,589	\$5,559,589	\$220,000
Full-Time Equivalent (FTE)	24.81	26.58	30.0	30.0	30.0	30.0	0.00

Funding Sources (Governor's Recommended)						
	General	Federal	Other	General%	Federal%	Other%
GAMING & RACING	\$0	\$0	\$64,807	0.0%	0.0%	1.2%
SALES & USE TAX COLLECTION FUN	\$0	\$0	\$3,567,940	0.0%	0.0%	64.2%
STATE MOTOR VEHICLE FUND	\$0	\$0	\$1,926,842	0.0%	0.0%	34.7%
Revenues and Statistics: Administration, Secretary of Revenue (0210)						

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Sales/Use & CET Electronic Filing Collections	\$2,168,801,129	\$2,156,890,992	\$2,200,028,811	\$2,244,029,388
Motor Fuel Electronic Filing Collections (1)	\$222,666,210	\$230,049,754	\$234,650,749	\$239,343,764
Remittance Center Collections:				
Collections-Department of Revenue	\$363,979,924	\$374,279,832	\$375,000,000	\$375,000,000
Collections-Other State Agencies	\$1,987,617	\$2,019,822	\$2,000,000	\$2,000,000
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Legal Staff:				
Department Cases Opened	162	371	300	300
ISB Investigations	171	168	165	162
Remittance Center				
Documents Processed-Revenue	121,407	121,698	121,000	120,000
Documents Processed-Other Agencies	9,596	8,346	8,300	8,300
E-Newsletters Audience	119,143	121,698	121,000	120,000
Business Education (Held / Attended)	69 / 2,212	47 / 1,775	65 / 2,000	65 / 2,000
Seminars-Border States CET	1 / 11	1 / 23	2 / 20	2 / 20
Seminars-Border States SUT	1 / 14	1 / 16	2 / 20	2 / 20
Presentations-Special Interest Groups	19 / 928	17 / 383	20 / 500	20 / 500

Business Tax (0220)

Business Tax processes sales, use, and contractor's excise tax payments; ensures compliance with sales and use tax and contractor's excise tax laws through the efficient utilization of personnel; administers municipal and special jurisdiction sales and use taxes along with municipal excise tax enacted pursuant to SDCL 10-52; maintains an efficient and reconcilable sales and excise tax accounts receivable system; provides collection services on taxpayer accounts; and, promotes sales tax equity on a national basis through simplification of sales tax laws and administration.

Business Tax provides supervision and guidance on all matters pertaining to the issuance of licenses, stamps, and permits, and the collection and disposition of alcohol beverage brand registration fees, coin-operated washer-dryer permit fees, amusement machine registration fees, and bingo license fees and taxes and on the issuance of trading stamps, and on conservation tax; provides guidance and information to all eligible persons throughout the state who may qualify under the provisions of the Sales Tax Refund (SDCL 10-45A) or Property Tax Refund (SDCL 10-18A) for the elderly and disabled; and audits claims and issues proper tax refund payments to those qualifying within the time prescribed by law.

Business Tax administers the following taxes through licensing, education, compliance, license reviews, and collection of delinquent taxes on licensed and unlicensed businesses. These taxes include sales and use, municipal sales and use, contractor's excise, tourism, tobacco, alcohol, and bank franchise, severance, as well as the 911 surcharge. Business Tax also facilitates the tribal tax collection agreements.

Major Items Summary: Business Tax (0220)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
FY 2026 Base Budget	\$0	\$0	\$7,550,364	\$7,550,364	70.5	\$0	\$0	\$7,550,364	\$7,550,364	70.5
1. Close Mitchell and Watertown Field Offices	\$0	\$0	\$0	\$0	0.0	\$0	\$0	(\$56,140)	(\$56,140)	(1.0)
FY 2026 Total Budget	\$0	\$0	\$7,550,364	\$7,550,364	70.5	\$0	\$0	\$7,494,224	\$7,494,224	69.5
Change from Base Budget	\$0	\$0	\$0	\$0	0.0	\$0	\$0	(\$56,140)	(\$56,140)	(1.0)
% Change from Base Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	(0.7%)	(0.7%)	(1.4%)

1. Close Mitchell and Watertown Field Offices

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$0	\$0	0.00
Governor's Recommendation	\$0	\$0	(\$56,140)	(\$56,140)	(1.00)

Reversions and Unutilized FTE (0220)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$5,968,940
Pool Distributions	\$0	\$0	\$741,258
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$137,015
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$6,847,213
FY2024 Expenditures	\$0	\$0	\$6,653,878
Reversion of Authority	\$0	\$0	\$193,335
Unutilized FTE			1.6

Budget Request: Business Tax (0220)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$5,619,770	\$6,653,878	\$6,847,213	\$7,550,364	\$7,550,364	\$7,494,224	(\$56,140)
Total	\$5,619,770	\$6,653,878	\$6,847,213	\$7,550,364	\$7,550,364	\$7,494,224	(\$56,140)
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Business Tax	\$5,619,770	\$6,653,878	\$6,847,213	\$7,550,364	\$7,550,364	\$7,494,224	(\$56,140)
Total	\$5,619,770	\$6,653,878	\$6,847,213	\$7,550,364	\$7,550,364	\$7,494,224	(\$56,140)
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$4,769,944	\$5,649,276	\$5,833,178	\$6,103,835	\$6,103,835	\$6,047,695	(\$56,140)
Salaries	\$3,639,713	\$4,333,526	\$4,445,255	\$4,670,556	\$4,670,556	\$4,614,416	(\$56,140)
Benefits	\$1,130,231	\$1,315,750	\$1,387,923	\$1,433,279	\$1,433,279	\$1,433,279	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$849,826	\$1,004,603	\$1,014,035	\$1,446,529	\$1,446,529	\$1,446,529	\$0
Travel	\$105,936	\$102,064	\$111,435	\$157,817	\$157,817	\$157,817	\$0
Contractual Services	\$431,567	\$482,094	\$543,594	\$781,038	\$781,038	\$781,038	\$0
Supplies	\$296,997	\$368,543	\$334,694	\$365,895	\$365,895	\$365,895	\$0
Capital Outlay	\$15,326	\$51,902	\$24,312	\$141,779	\$141,779	\$141,779	\$0

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Total	\$5,619,770	\$6,653,878	\$6,847,213	\$7,550,364	\$7,550,364	\$7,494,224	(\$56,140)
Full-Time Equivalent (FTE)	65.29	68.93	70.5	70.5	70.5	69.5	(1.0)

Funding Sources (Governor's Recommended)						
	General	Federal	Other	General%	Federal%	Other%
SALES & USE TAX COLLECTION FUN	\$0	\$0	\$7,494,224	0.0%	0.0%	100.0%

Revenues and Statistics: Business Tax (0220)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Collections-Department of Revenue:				
State Sales/Use Tax	\$1,480,572,850	\$1,453,998,297	\$1,483,078,263	\$1,512,739,829
Contractor's Excise Tax	\$189,407,586	\$216,712,589	\$221,046,841	\$225,467,778
Streamlined Sales Tax Collections	\$15,729,398	\$16,019,615	\$16,340,007	\$16,666,807
Telecom Excise Tax	\$3,949,840	\$3,525,924	\$3,596,442	\$3,668,371
Municipal / Tribal Taxes	\$555,143,136	\$575,827,158	\$587,343,701	\$599,090,575
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Total Taxing Entities	275	275	275	275
Total Active Licenses	102,017	103,677	104,000	105,000
Delinquent/Out-of Balance Notices	200,176	207,307	208,000	209,000
License Reviews *	266	296	300	300
Returns Processed - Paper	117,825	103,637	105,000	102,000
Returns Processed - Electronic	564,826	612,711	615,000	620,000
Returns Reviewed / Violated	36,339	39,444	37,000	40,000
Phone Bank Calls (1-800) + Chat	34,222	33,117	35,000	35,000
Collection Allowance Deductions **	\$6,746,536	6,823,461	\$7,100,000	7,000,000
Special Taxes				
Tax Refund Applications Received	1,223	1,082	1,200	1,200
Applications Refunded / Amount Refunded	1,072 / \$327,700	994 / \$332,828	1,100 / \$425,000	1,100 / \$425,000
Bank Franchise Returns	1,105	1,161	1,100	1,200
Cigarette Wholesaler & Distributor Licenses	100	99	100	100
Cigarette Retailers Registered	1,686	1,625	1,600	1,650
Cigarette Stamps	28,006,500	25,497,000	25,000,000	25,000,000
Other Tobacco Products Reports Filed	1,169	1,175	1,175	1,200
Retail Compliance Checks/Cigarette Packs Seizures	662 / 239	761 / 224	700 / 200	700 / 200
Liquor & Beer Licenses	6,259	6,199	6,350	6,350

Motor Vehicles (0230)

Motor Vehicle collects the motor vehicle excise tax, vehicle registration fees, the motor fuel tax, and the special fuel tax.

Motor Vehicle administers the International Fuel Tax Agreement (IFTA), the International Registration Plan (IRP) and Unified Carrier Registrations (UCR), as well as commercial and non-commercial motor vehicle licensing, titling, and registration. Motor vehicle also regulates licensed motor vehicle dealers.

Motor Vehicle Excise Tax of 4% is collected on sales of motor vehicles that operate on South Dakota’s roads and highways. Vehicles used on public roadways or waterways must also be licensed and registered each year. Registration is confirmed by the issuance of a license plate/decal.

Major Items Summary: Motor Vehicles (0230)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
FY 2026 Base Budget	\$0	\$397,295	\$11,445,265	\$11,842,560	49.0	\$0	\$397,295	\$11,445,265	\$11,842,560	49.0
1. Eliminate 1 FTE from Motor Vehicle	\$0	\$0	\$0	\$0	0.0	\$0	\$0	(\$51,874)	(\$51,874)	(1.0)
2. Increased cost of 605Drive	\$0	\$0	\$0	\$0	0.0	\$0	\$0	\$1,400,000	\$1,400,000	0.0
FY 2026 Total Budget	\$0	\$397,295	\$11,445,265	\$11,842,560	49.0	\$0	\$397,295	\$12,793,391	\$13,190,686	48.0
Change from Base Budget	\$0	\$0	\$0	\$0	0.0	\$0	\$0	\$1,348,126	\$1,348,126	(1.0)
% Change from Base Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	11.8%	11.4%	(2.0%)

1. Eliminate 1 FTE from Motor Vehicle

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$0	\$0	0.00
Governor's Recommendation	\$0	\$0	(\$51,874)	(\$51,874)	(1.00)

2. Increased cost of 605Drive

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$0	\$0	0.00
Governor's Recommendation	\$0	\$0	\$1,400,000	\$1,400,000	0.00

Reversions and Unutilized FTE (0230)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$329,819	\$10,019,181
Pool Distributions	\$0	\$30,970	\$529,734
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$31,275	\$1,977,832
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$392,064	\$12,526,747
FY2024 Expenditures	\$0	\$334,949	\$11,363,576
Reversion of Authority Unutilized FTE	\$0	\$57,115	\$1,163,171 (0.8)

Budget Request: Motor Vehicles (0230)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$546,580	\$334,949	\$392,064	\$397,295	\$397,295	\$397,295	\$0
Other	\$9,895,154	\$11,363,576	\$12,526,747	\$11,445,265	\$11,445,265	\$12,793,391	\$1,348,126
Total	\$10,441,734	\$11,698,526	\$12,918,811	\$11,842,560	\$11,842,560	\$13,190,686	\$1,348,126
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Motor Vehicles	\$10,441,734	\$11,698,526	\$12,918,811	\$11,842,560	\$11,842,560	\$13,190,686	\$1,348,126
Total	\$10,441,734	\$11,698,526	\$12,918,811	\$11,842,560	\$11,842,560	\$13,190,686	\$1,348,126
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$3,004,568	\$3,568,774	\$3,690,359	\$3,820,762	\$3,820,762	\$3,768,888	(\$51,874)
Salaries	\$2,245,752	\$2,693,210	\$2,781,229	\$2,892,478	\$2,892,478	\$2,840,604	(\$51,874)
Benefits	\$758,816	\$875,564	\$909,130	\$928,284	\$928,284	\$928,284	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$7,437,166	\$8,129,752	\$8,195,182	\$8,021,798	\$8,021,798	\$9,421,798	\$1,400,000
Travel	\$52,331	\$53,704	\$60,150	\$72,138	\$72,138	\$72,138	\$0
Contractual Services	\$2,706,611	\$4,364,960	\$3,958,524	\$3,795,777	\$3,795,777	\$5,195,777	\$1,400,000
Supplies	\$4,589,859	\$3,592,685	\$4,120,699	\$3,918,663	\$3,918,663	\$3,918,663	\$0
Capital Outlay	\$88,366	\$118,404	\$55,809	\$235,220	\$235,220	\$235,220	\$0

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Total	\$10,441,734	\$11,698,526	\$11,885,541	\$11,842,560	\$11,842,560	\$13,190,686	\$1,348,126
Full-Time Equivalent (FTE)	46.1	49.82	49.0	49.0	49.0	48.0	(1.0)

Funding Sources (Governor's Recommended)						
	General	Federal	Other	General%	Federal%	Other%
NO DESC (PRIOR)	\$0	\$397,295	\$0	0.0%	100.0%	0.0%
LICENSE PLATE REVOLVING	\$0	\$0	\$4,082,021	0.0%	0.0%	31.9%
STATE MOTOR VEHICLE FUND	\$0	\$0	\$8,711,370	0.0%	0.0%	68.1%
Revenues and Statistics: Motor Vehicles (0230)						

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Collections:				
Motor Vehicle Fees	\$236,965,948	\$250,964,191	\$255,983,475	\$261,103,144
Motor Vehicle Commercial Fees	\$26,266,352	\$26,800,775	\$27,336,790	\$27,883,526
Motor Fuel Taxes	\$212,278,222	\$218,184,547	\$222,548,238	\$226,999,203
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Certificates of Title Issued	354,635	419,447	400,000	405,000
Specialty Plates Issued	35,618	40,282	35,000	45,000
Vehicles Registered - Total	1,635,157	1,619,981	1,650,000	1,640,000
Internet / Self-Service Terminal	109,942 / 135,137	109,031 / 132,401	120,000 / 150,000	120,000 / 150,000
Licensed Vehicle Dealers	1,365	1,356	1,350	1,350
Internat'l Fuel Tax Assoc (IFTA) Licenses	2,644	2,652	3,000	2,700
Prorate Power Units Licensed	7,031	7,232	7,200	7,300
Fuel Suppliers	83	81	84	81
Fuel Importers & Exporters	281	284	280	280
Highway Contractors Licenses	535	593	530	590
Marketers Licenses	1,161	1,184	1,200	1,200
Phone Bank Calls Handled	78,351	64,443	70,000	60,000
Live Chat	7,457	6,505	7,500	7,000
Correspondence	23,728	26,052	24,000	25,000
Off-road Decals / State Share	0 / 0	15,811 / \$179,140	16,000 / \$200,000	16,000 / \$200,000

Property Taxes (0240)

Property Tax provides oversight of the administration of the county property tax assessment, assists local governments and trains county directors of equalization on state tax laws. Property Tax administers the telephone gross receipts tax, alternative tax for commercial wind farms, and rural electric tax.

Property Tax also provides documental assessment to sales ratios as indications of the level of assessment in each county for use in equalizing assessments, distribution of state aid to education and determination of county compliance with assessment standards. They offer technical assistance and guidance for the assessment of all classes of property and assist agricultural land evaluation using modern detailed soil surveys. They also determine the market value of the companies required to be centrally assessed.

Major Items Summary: Property Taxes (0240)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
FY 2026 Base Budget	\$1,191,914	\$0	\$0	\$1,191,914	9.0	\$1,191,914	\$0	\$0	\$1,191,914	9.0
1. Lower Cost of Data for Land Assessment	\$0	\$0	\$0	\$0	0.0	(\$60,000)	\$0	\$0	(\$60,000)	0.0
FY 2026 Total Budget	\$1,191,914	\$0	\$0	\$1,191,914	9.0	\$1,131,914	\$0	\$0	\$1,131,914	9.0
Change from Base Budget	\$0	\$0	\$0	\$0	0.0	(\$60,000)	\$0	\$0	(\$60,000)	0.0
% Change from Base Budget	0.0%	0.0%	0.0%	0.0%	0.0%	(5.0%)	0.0%	0.0%	(5.0%)	0.0%

1. Lower Cost of Data for Land Assessment

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$0	\$0	0.00
Governor's Recommendation	(\$60,000)	\$0	\$0	(\$60,000)	0.00

Reversions and Unutilized FTE (0240)

	General	Federal	Other
Original Appropriation FY2024	\$1,022,347	\$0	\$0
Pool Distributions	\$94,874	\$0	\$0
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$49,719	\$0	\$0
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$1,166,940	\$0	\$0
FY2024 Expenditures	\$1,099,945	\$0	\$0
Reversion of Authority	\$66,995	\$0	\$0
Unutilized FTE			0.1

Budget Request: Property Taxes (0240)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$892,446	\$1,099,945	\$1,166,940	\$1,191,914	\$1,191,914	\$1,131,914	(\$60,000)
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$892,446	\$1,099,945	\$1,166,940	\$1,191,914	\$1,191,914	\$1,131,914	(\$60,000)
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Property Taxes	\$892,446	\$1,099,945	\$1,166,940	\$1,191,914	\$1,191,914	\$1,131,914	(\$60,000)
Total	\$892,446	\$1,099,945	\$1,166,940	\$1,191,914	\$1,191,914	\$1,131,914	(\$60,000)
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$638,213	\$791,960	\$832,599	\$861,421	\$861,421	\$861,421	\$0
Salaries	\$491,863	\$614,700	\$617,971	\$642,690	\$642,690	\$642,690	\$0
Benefits	\$146,350	\$177,260	\$214,628	\$218,731	\$218,731	\$218,731	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$254,232	\$307,985	\$334,341	\$330,493	\$330,493	\$270,493	(\$60,000)
Travel	\$21,825	\$16,559	\$22,804	\$25,048	\$25,048	\$25,048	\$0
Contractual Services	\$213,131	\$113,320	\$282,646	\$284,545	\$284,545	\$224,545	(\$60,000)
Supplies	\$11,161	\$4,925	\$25,843	\$6,900	\$6,900	\$6,900	\$0
Capital Outlay	\$2,742	\$173,181	\$3,048	\$14,000	\$14,000	\$14,000	\$0
Other Expenses and Budgeted Operating Transfers Out	\$5,373	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$892,446	\$1,099,945	\$1,166,940	\$1,191,914	\$1,191,914	\$1,131,914	(\$60,000)
Full-Time Equivalent (FTE)	7.88	8.88	9.0	9.0	9.0	9.0	0.00

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
STATE GENERAL FUND	\$1,131,914	\$0	\$0	100.0%	0.0%	0.0%

Revenues and Statistics: Property Taxes (0240)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Special Taxes-State Funds	\$82,928,721	\$95,603,149	\$97,515,212	\$99,465,516
Special Taxes-Local Governments	\$51,552,036	\$51,254,887	\$52,279,985	\$53,325,585
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Levies Approved	4,219	4,356	4,300	4,400
Tax Increment Finance Districts	229	244	250	250
Assessors Certified/Attendance Annual School	210 / 133	212 / 156	220 / 150	220 / 155
Centrally Assessed Companies	156	159	150	160
Property Transfers Analyzed	45,158	38,746	45,000	45,000

Audits (0250)

Audit is tasked with detecting and resolving reporting errors and omissions made by taxpayers, and then to instruct on correct reporting practices for future returns.

The Audit Division is responsible for selecting and performing audits on behalf of the Department of Revenue. The primary purpose of the audit function is to verify the gross receipts, deductions, and use tax reported on tax returns, ensure required record-keeping is in place, and work with auditees to ensure understanding of the tax laws.

The Audit Division conducts audits for the following taxes administered by the department:

- Sales and Use Tax
- Contractors' Excise Tax
- Motor Fuel Tax
- Mineral Severance Tax
- International Fuel Tax Agreement (IFTA)
- International Registration Plan (IRP)
- Bank Franchise Tax

Audits are conducted all over the United States with a major emphasis placed on auditing companies headquartered outside of South Dakota. Auditors provide on-site education as part of the audit process to increase future compliance with the tax requirements.

Major Items Summary: Audits (0250)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
FY 2026 Base Budget	\$0	\$0	\$6,366,424	\$6,366,424	56.0	\$0	\$0	\$6,366,424	\$6,366,424	56.0
1. Close Mitchell and Watertown Field Offices	\$0	\$0	\$0	\$0	0.0	\$0	\$0	(\$56,141)	(\$56,141)	(1.0)
FY 2026 Total Budget	\$0	\$0	\$6,366,424	\$6,366,424	56.0	\$0	\$0	\$6,310,283	\$6,310,283	55.0
Change from Base Budget	\$0	\$0	\$0	\$0	0.0	\$0	\$0	(\$56,141)	(\$56,141)	(1.0)
% Change from Base Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	(0.9%)	(0.9%)	(1.8%)

1. Close Mitchell and Watertown Field Offices

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$0	\$0	0.00
Governor's Recommendation	\$0	\$0	(\$56,141)	(\$56,141)	(1.00)

Reversions and Unutilized FTE (0250)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$5,370,570
Pool Distributions	\$0	\$0	\$772,376
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$99,289
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$6,242,235
FY2024 Expenditures	\$0	\$0	\$5,849,797
Reversion of Authority	\$0	\$0	\$392,438
Unutilized FTE			0.7

Budget Request: Audits (0250)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$4,907,352	\$5,849,797	\$6,242,235	\$6,366,424	\$6,366,424	\$6,310,283	(\$56,141)
Total	\$4,907,352	\$5,849,797	\$6,242,235	\$6,366,424	\$6,366,424	\$6,310,283	(\$56,141)
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Audits	\$4,907,352	\$5,849,797	\$6,242,235	\$6,366,424	\$6,366,424	\$6,310,283	(\$56,141)
Total	\$4,907,352	\$5,849,797	\$6,242,235	\$6,366,424	\$6,366,424	\$6,310,283	(\$56,141)
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$4,393,956	\$5,129,934	\$5,475,485	\$5,609,368	\$5,609,368	\$5,553,227	(\$56,141)
Salaries	\$3,404,227	\$3,991,909	\$4,219,478	\$4,340,765	\$4,340,765	\$4,284,624	(\$56,141)
Benefits	\$989,728	\$1,138,025	\$1,256,007	\$1,268,603	\$1,268,603	\$1,268,603	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$513,396	\$719,863	\$766,750	\$757,056	\$757,056	\$757,056	\$0
Travel	\$110,674	\$92,684	\$268,766	\$108,800	\$108,800	\$108,800	\$0
Contractual Services	\$336,995	\$393,383	\$444,018	\$337,950	\$337,950	\$337,950	\$0
Supplies	\$30,740	\$13,373	\$25,236	\$11,200	\$11,200	\$11,200	\$0
Capital Outlay	\$34,987	\$220,423	\$28,730	\$299,106	\$299,106	\$299,106	\$0

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Total	\$4,907,352	\$5,849,797	\$6,242,235	\$6,366,424	\$6,366,424	\$6,310,283	(\$56,141)
Full-Time Equivalent (FTE)	54.07	55.35	56.0	56.0	56.0	55.0	(1.0)

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
SALES & USE TAX COLLECTION FUN	\$0	\$0	\$5,638,911	0.0%	0.0%	89.4%
STATE MOTOR VEHICLE FUND	\$0	\$0	\$671,372	0.0%	0.0%	10.6%

Revenues and Statistics: Audits (0250)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Audit Payments: *				
Sales/Use & Excise Tax Payments	\$19,773,877	\$23,357,105	\$21,000,000	\$22,000,000
IFTA, Motor Fuel, Prorate Payments	\$164,830	\$436,107	\$10,000	\$100,000
Bank Franchise Tax Payments	\$1,666,425	\$4,250,751	\$3,000,000	\$3,000,000
Tobacco Tax Payments		\$19,587	\$5,000	\$5,000
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Number of Certificate of Assessments: *				
Sales/Use & Excise Audits	735	787	810	825
IFTA, Motor Fuel, Prorate Audits	79	105	100	110
Bank Franchise Audits	12	14	12	12
Tobacco Audits	7	2	20	20

Instant and On-line Operations - Informational (0281)

Instant and On-line Operations is within the Lottery budget unit. Instant tickets, or scratch-offs, can be redeemed immediately, and are not related to any drawing. Retailers receive a 5% commission for selling tickets, a 1% commission for cashing winning tickets for prizes up to \$100, and a 1% commission for selling tickets with prizes of more than \$100.

South Dakota currently offers five lotto games. Powerball, Mega Millions, Lotto America, and Lucky For Life are multi-state games. Dakota Cash with EZ Match is played only in South Dakota. Lotto retailers receive a 5% commission for selling tickets, plus varying bonuses for selling larger winning tickets. Instant and On-Line Operations works cooperatively with partner licensees to promote and ensure the integrity, fairness, security and honesty of lottery games, to maximize revenues for state programs and initiatives, and to ensure the Lottery remains a viable and sustainable source of revenue and entertainment for the State of South Dakota.

Reversions and Unutilized FTE (0281)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$62,707,119
Pool Distributions	\$0	\$0	\$292,939
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$5,426,712
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$68,426,770
FY2024 Expenditures	\$0	\$0	\$68,107,604
Reversion of Authority	\$0	\$0	\$319,166
Unutilized FTE			0.7

Budget Request: Instant and On-line Operations - Informational (0281)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$65,887,008	\$68,107,604	\$68,426,770	\$63,136,978	\$63,136,978	\$63,136,978	\$0
Total	\$65,887,008	\$68,107,604	\$68,426,770	\$63,136,978	\$63,136,978	\$63,136,978	\$0

By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Instant and On-line Operations - Info	\$65,887,008	\$68,107,604	\$68,426,770	\$63,136,978	\$63,136,978	\$63,136,978	\$0
Total	\$65,887,008	\$68,107,604	\$68,426,770	\$63,136,978	\$63,136,978	\$63,136,978	\$0

By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$1,486,522	\$1,689,746	\$1,993,868	\$2,067,429	\$2,067,429	\$2,067,429	\$0
Salaries	\$1,129,860	\$1,296,908	\$1,538,991	\$1,601,997	\$1,601,997	\$1,601,997	\$0
Benefits	\$356,662	\$392,838	\$454,877	\$465,432	\$465,432	\$465,432	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$64,400,487	\$66,417,858	\$66,432,902	\$61,069,549	\$61,069,549	\$61,069,549	\$0
Travel	\$161,018	\$169,513	\$181,982	\$184,074	\$184,074	\$184,074	\$0
Contractual Services	\$63,450,200	\$65,073,329	\$65,029,920	\$59,664,475	\$59,664,475	\$59,664,475	\$0
Supplies	\$562,656	\$963,593	\$1,102,000	\$1,102,000	\$1,102,000	\$1,102,000	\$0
Capital Outlay	\$10,072	\$28,900	\$40,000	\$40,000	\$40,000	\$40,000	\$0
Other Expenses and Budgeted Operating Transfers Out	\$216,540	\$182,522	\$79,000	\$79,000	\$79,000	\$79,000	\$0
Total	\$65,887,008	\$68,107,604	\$68,426,770	\$63,136,978	\$63,136,978	\$63,136,978	\$0
Full-Time Equivalent (FTE)	20.7	20.34	21.0	21.0	21.0	21.0	0.00

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
LOTTERY OPERATING FUNDS	\$0	\$0	\$63,136,978	0.0%	0.0%	100.0%

Revenues and Statistics: Instant and On-line Operations - Informational (0281)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Instant Proceeds-General Fund	\$7,071,548	\$7,010,791	\$7,120,000	\$7,200,000
On-Line Proceeds-General Fund	\$8,108,675	\$8,176,007	\$7,580,000	\$7,810,000
On-Line Proceeds-Capital Construction Fund	\$3,475,147	\$3,504,003	\$3,250,000	\$3,340,000
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Instant Games Introduced	25	25	28	27
On-Line Games Offered	5	5	5	5
Licensed Lottery Retailers - On-Line	624	633	638	643
Licensed Lottery Retailers - Instant Only	11	11	11	11
Prized Paid to Players	\$50,386,701	\$42,879,016	\$42,150,000	\$42,900,000
Retailer Commissions Paid	\$4,647,209	\$4,832,181	\$4,977,146	\$5,126,461
Total Sales - Instant Games	\$48,057,846	\$48,686,048	\$49,000,000	\$49,500,000
Total Sales - On-Line Games	\$37,171,884	\$38,045,633	\$35,270,000	\$36,330,000
Total Sales (Instant + On-Line)	\$85,229,730	\$86,731,681	\$84,270,000	\$85,830,000

Video Lottery (0282)

Video Lottery works cooperatively with partner licensees to promote and ensure the integrity, fairness, security and honesty of lottery games, to maximize revenues for state programs and initiatives, and to ensure the Lottery remains a viable and sustainable source of revenue and entertainment for the State of South Dakota.

The revenue from video lottery is calculated on net machine income, which is cash-in (sales) minus cash-out (prizes). Net machine income is divided between the state and machine operators on a 50/50 split. One-half of one percent (0.5%) of the net machine income share is retained by the Lottery for administration.

49.5% of video lottery net machine income is distributed to the General Fund.

Reversions and Unutilized FTE (0282)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$2,805,367
Pool Distributions	\$0	\$0	\$114,960
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$48,187
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$2,968,514
FY2024 Expenditures	\$0	\$0	\$2,527,476
Reversion of Authority	\$0	\$0	\$441,038
Unutilized FTE			0.3

Budget Request: Video Lottery (0282)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$2,429,123	\$2,527,476	\$2,968,514	\$2,995,987	\$2,995,987	\$2,995,987	\$0
Total	\$2,429,123	\$2,527,476	\$2,968,514	\$2,995,987	\$2,995,987	\$2,995,987	\$0

By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Video Lottery	\$2,429,123	\$2,527,476	\$2,968,514	\$2,995,987	\$2,995,987	\$2,995,987	\$0
Total	\$2,429,123	\$2,527,476	\$2,968,514	\$2,995,987	\$2,995,987	\$2,995,987	\$0

By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$723,526	\$824,802	\$955,513	\$991,451	\$991,451	\$991,451	\$0
Salaries	\$553,947	\$634,224	\$740,622	\$771,826	\$771,826	\$771,826	\$0
Benefits	\$169,578	\$190,578	\$214,891	\$219,625	\$219,625	\$219,625	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$1,705,597	\$1,702,674	\$2,013,001	\$2,004,536	\$2,004,536	\$2,004,536	\$0
Travel	\$14,192	\$14,779	\$17,941	\$18,454	\$18,454	\$18,454	\$0
Contractual Services	\$1,459,424	\$1,453,724	\$1,571,444	\$1,562,466	\$1,562,466	\$1,562,466	\$0
Supplies	\$14,996	\$11,782	\$29,616	\$29,616	\$29,616	\$29,616	\$0
Capital Outlay	\$2,985	\$8,389	\$180,000	\$180,000	\$180,000	\$180,000	\$0
Other Expenses and Budgeted Operating Transfers Out	\$214,000	\$214,000	\$214,000	\$214,000	\$214,000	\$214,000	\$0
Total	\$2,429,123	\$2,527,476	\$2,968,514	\$2,995,987	\$2,995,987	\$2,995,987	\$0
Full-Time Equivalent (FTE)	9.59	9.7	10.0	10.0	10.0	10.0	0.00

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
LOTTERY OPERATING FUNDS	\$0	\$0	\$2,995,987	0.0%	0.0%	100.0%

Revenues and Statistics: Video Lottery (0282)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
License Fees to VL Operating Fund	\$1,414,761	\$1,441,850	\$1,480,000	\$1,510,000
Additional Mfg. License Fee-General Fund	\$75,375	\$75,000	\$75,000	\$75,000
Video Lottery Proceeds	\$162,568,269	\$163,644,136	\$166,920,000	\$170,250,000
Video Lottery Proceeds-VL Operating Fund	\$1,642,104	\$1,652,971	\$1,680,000	\$1,720,000
Miscellaneous Revenue	\$50,000	\$50,000	\$50,000	\$50,000
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Machines Placed (12-month Avg)	10,231	10,763	11,100	11,400
Licensed Establishments (12-month Avg)	1,407	1,326	1,400	1,425
Licensed Manufacturers	5	5	5	5

Commission on Gaming - Informational (0293)

SDCL 42-7 & 42-7B require the South Dakota Commission on Gaming to regulate the gaming and racing industries within the State of South Dakota. This includes the promulgation of rules, enforcement of such rules and statutes, the collection and distribution of funds derived from these industries.

The commission is comprised of five commissioners responsible for regulating the gaming industry in the City of Deadwood as well as pari-mutuel horse racing and wagering on horse races. The commission also administers Indian gaming compacts.

Reversions and Unutilized FTE (0293)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$11,054,125
Pool Distributions	\$0	\$0	\$181,645
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$191,345
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$11,427,115
FY2024 Expenditures	\$0	\$0	\$10,728,818
Reversion of Authority	\$0	\$0	\$698,297
Unutilized FTE			3.4

Budget Request: Commission on Gaming - Informational (0293)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$10,623,781	\$10,728,818	\$11,427,115	\$11,319,798	\$11,319,798	\$11,319,798	\$0
Total	\$10,623,781	\$10,728,818	\$11,427,115	\$11,319,798	\$11,319,798	\$11,319,798	\$0
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Commission on Gaming - Info	\$10,623,781	\$10,728,818	\$11,427,115	\$11,319,798	\$11,319,798	\$11,319,798	\$0
Total	\$10,623,781	\$10,728,818	\$11,427,115	\$11,319,798	\$11,319,798	\$11,319,798	\$0
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$1,017,154	\$1,119,891	\$1,425,771	\$1,481,622	\$1,481,622	\$1,481,622	\$0
Salaries	\$783,790	\$858,259	\$1,081,978	\$1,130,217	\$1,130,217	\$1,130,217	\$0

By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Benefits	\$233,364	\$261,632	\$343,793	\$351,405	\$351,405	\$351,405	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$9,606,627	\$9,608,927	\$10,001,344	\$9,838,176	\$9,838,176	\$9,838,176	\$0
Travel	\$50,902	\$55,049	\$102,896	\$108,049	\$108,049	\$108,049	\$0
Contractual Services	\$570,884	\$485,083	\$515,262	\$509,991	\$509,991	\$509,991	\$0
Supplies	\$59,563	\$35,499	\$36,000	\$36,000	\$36,000	\$36,000	\$0
Grants	\$8,832,121	\$8,990,677	\$9,338,050	\$9,175,000	\$9,175,000	\$9,175,000	\$0
Capital Outlay	\$92,847	\$38,277	\$9,136	\$9,136	\$9,136	\$9,136	\$0
Other Expenses and Budgeted Operating Transfers Out	\$310	\$4,342	\$0	\$0	\$0	\$0	\$0
Total	\$10,623,781	\$10,728,818	\$11,427,115	\$11,319,798	\$11,319,798	\$11,319,798	\$0
Full-Time Equivalent (FTE)	12.85	12.64	16.0	16.0	16.0	16.0	0.00

Funding Sources (Governor's Recommended)						
	General	Federal	Other	General%	Federal%	Other%
GAMING & RACING	\$0	\$0	\$11,319,798	0.0%	0.0%	100.0%

Revenues and Statistics: Commission on Gaming - Informational (0293)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Gaming Fund:				
Device Fees	\$5,090,000	\$5,418,000	\$5,200,000	\$5,400,000
Gross Revenue Tax	\$12,138,659	\$12,646,395	\$12,775,000	\$12,700,000
City Slot Tax	\$437,500	\$437,500	\$4,375,000	\$4,375,000
Application Fees	\$81,537	\$81,862	\$60,000	\$84,000
License Fees	\$113,751	\$117,708	\$115,000	\$120,000
Device Testing Fees		\$10,049	\$12,000	\$12,500
Penalties	\$37,700	\$6,200	\$3,000	\$8,500
Interest	\$19,280	\$48,797	\$30,000	\$35,000
Racing Revenue:				
Dogs:				
Commission	\$7,764	\$6,602	\$7,000	
Licenses & Fees	\$2,890	\$3,000	\$2,500	
Revolving Fund	\$7,764	\$6,602	\$7,000	
Bred Fund	\$7,764	\$6,602	\$7,000	
Racing Revenue:				
Horses:				
Commission	\$19,803	\$20,141	\$16,000	
Licenses & Fees	\$9,115	\$6,200	\$6,750	
Revolving Fund	\$22,103	\$23,642	\$16,000	
Bred Fund	\$20,552	\$20,971	\$16,000	
Interest	\$2,703	\$5,960	\$2,500	
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Licenses Issued:				
Manufacturers / Distributors	20	19	20	20
Operators / Retailers	24 / 129	20 / 127	23 / 130	23 / 130
Sports Wagering Service Providers	6	5	6	4
Support / Key Employees	1,283	1,543	1,300	1,500
Device Licenses	2,480	2,699	2,610	2,700
Gaming Distributions	\$16,453,499	\$16,974,705	\$17,000,000	\$17,000,000

Budget History

FY 2025 Budget		General	Federal	Other	Total	FTE
BIT Bureau Billing Adjustments		\$0	\$0	\$250,000	\$250,000	0.00
Postage		\$0	\$0	\$35,000	\$35,000	0.00
Totals		\$0	\$0	\$285,000	\$285,000	0.00

Session 2024 Supplemental and Special Appropriations	Bill	General	Federal	Other	Total	FTE
Update income for refunds for property tax & sales tax to elderly & disabled persons	SB 28	\$425,000	\$0	\$0	\$425,000	0.00
Totals		\$425,000	\$0	\$0	\$425,000	0.00

FY 2024 Budget		General	Federal	Other	Total	FTE
New Dealer Agent		\$0	\$0	\$65,003	\$65,003	1.00
Kiosk Maintenance		\$0	\$0	\$60,000	\$60,000	0.00
Alteryx Auditing Software		\$0	\$0	\$119,030	\$119,030	0.00
Travel		\$0	\$0	\$20,000	\$20,000	0.00
Legal Consultant		\$0	\$0	\$60,000	\$60,000	0.00
Technology		\$0	\$0	\$2,500	\$2,500	0.00
New Office Space		\$0	\$0	\$100,000	\$100,000	0.00
Totals		\$0	\$0	\$426,533	\$426,533	1.00

Session 2023 Supplemental and Special Appropriations	Bill	General	Federal	Other	Total	FTE
Tax Refunds for the Elderly and Disabled	HB 1034	\$450,000	\$0	\$0	\$450,000	0.00
Motor Vehicles System Replacement (SD Cars)	HB 1035	\$25,000,000	\$0	\$0	\$25,000,000	0.00
Motor Vehicles System Upgrades	HB 1049	\$0	\$216,700	\$0	\$216,700	0.00
Commission on Gaming	HB 1049	\$0	\$0	\$37,500	\$37,500	0.00
Department of Revenue Modernization Plan	HB 1049	\$0	\$0	\$390,000	\$390,000	0.00
License Plate Reissuance	HB 1049	\$0	\$0	\$750,000	\$750,000	0.00
Totals		\$25,450,000	\$216,700	\$1,177,500	\$26,844,200	0.00

FY 2023 Budget		General	Federal	Other	Total	FTE
Property Tax Specialist		\$70,046	\$0	\$0	\$70,046	1.00
Monitoring Municipal Sales Tax		\$0	\$0	\$24,500	\$24,500	0.00

FY 2023 Budget		General	Federal	Other	Total	FTE
Technology Project Manager		\$0	\$0	\$83,709	\$83,709	1.00
Rent Expansion		\$0	\$0	\$90,000	\$90,000	0.00
Totals		\$70,046	\$0	\$198,209	\$268,255	2.00

Session 2022 Supplemental and Special Appropriations	Bill	General	Federal	Other	Total	FTE
Tax Refunds for the Elderly and Disabled	HB 1014	\$450,000	\$0	\$0	\$450,000	0.00
County Rural Access Infrastructure	HB 1306	\$25,000,000	\$0	\$0	\$25,000,000	0.00
License Plate Reissuance	SB 60	\$0	\$0	\$4,800,000	\$4,800,000	0.00
Totals		\$25,450,000	\$0	\$4,800,000	\$30,250,000	0.00