

FISCAL NOTE

	FY 2022	FY 2023	FY 2024
NON-ADMINISTRATIVE IMPACT			
Anticipated Revenue increase			
GENERAL FUND	\$55,300,000	\$55,300,000	\$55,300,000
LOCAL SOURCES FUND	\$52,700,000	\$52,700,000	\$52,700,000

Source of revenue increase:

Imposition of sales tax on specified services;

Repeal of sales and use tax exemptions for manufacturing machinery and data centers;

Assumptions:

The above estimates related to the taxation of services are provided by the Department of Revenue (DOR) based on FY 2020 taxable sales on specified services in the state of South Dakota, adjusted for the difference in state populations. The above estimates do not consider the exclusion of legal fees for the indigent, as the DOR does not have information on those fees. An average combined state and local sales and use tax rate of 5.4% is assumed.

The above estimates related to the repeal of current Wyoming sales and use tax exemptions are provided by the DOR based on 2020 surveys pertaining to the manufacturing exemption and the data center exemption. An average combined state and local sales and use tax rate of 5.4% is assumed for the repeal of these exemptions.