



<https://dor.sd.gov/> 1-800-829-9188

Special Events

The purpose of this Tax Fact is to explain how South Dakota use tax applies to special events. It is not intended to answer all questions that may arise. The information contained in this fact sheet is current as of the date of publication.

July 2023

What is Considered a Special Event?

A *special event* is any craft fair, vendor show, trade show, fair, exhibition, exposition, or other temporary event where retail vendors may sell to customers.

A *spectator event* is any organized activity meant for entertainment or education and open to the public. Most special events are also spectator events, and are subject to tourism tax, in addition to the state and municipal sales tax.

Is a License Required to be a Vendor at a Special Event?

Sturgis Rally: Yes, you must obtain a temporary South Dakota sales tax license if you will be a vendor at the Sturgis Rally. You must obtain a temporary tax license and file the Sturgis Rally special event return even if you have a South Dakota sales tax license. For more information, please go to: <https://dor.sd.gov/businesses/sturgis-motorcycle-rally/>.

State Fair: Yes, you must obtain a temporary South Dakota sales tax license if you will be a vendor at the state fair. You must obtain a temporary tax license and file the State Fair Special Event return, even if you have a South Dakota sales tax license.

All Other Special Events: No, you do not need a license to be a vendor at any other special events. If you have a South Dakota sales tax license, you will report the special event sales on your next scheduled sales tax return. If you do not have a South Dakota sales tax license, you will file the special event return that the event organizer provides. Please contact DOR at 800-829-9188 if you do not receive one.

Application of Tax

All sales at a special event are subject to the state sales tax, applicable municipal sales tax, applicable municipal gross receipts tax, and tourism tax.

Municipal Tax in South Dakota

Most municipalities have a sales tax that is in addition to the state sales tax. If a special event is in one of these municipalities, the municipal tax will apply to products and services sold. The municipality may also have an additional gross receipts tax on lodging, eating establishments, alcoholic beverages and ticket sales or admissions to places of amusement, athletic or cultural events. This is in addition to the state sales tax, the municipal sales tax and tourism tax. A list of municipal tax rates is available on the department's website at <https://dor.sd.gov> or by calling 1-800-829-9188.

Tourism Tax

Tourism tax applies to sales at spectator events, visitor attractions, and visitor-intensive businesses. The tourism tax rate is in addition to the state sales tax and any applicable municipal taxes. Tourism tax does not apply at farmers markets.

Special events are spectator events where tourism tax applies.

Application of Tax (cont.)

Sales Tax Does Not Apply

- **Display Only:** If you are only displaying a product, and have no products available for sale, please write "Display Only" on the special event return and send it to DOR.
⇒ Use tax is due on items given away (i.e. promotional items)
- **Direct Sellers:** If you are a direct seller and the company you sell for has charged you the sales tax on your purchases, please provide the name of the company you represent on the top section of the special event return and send it to DOR.
- **Non-Profit Fundraiser:** Certain qualifying fundraising events do not owe sales tax on sales made.
⇒ Please mark the section of the special event return that states "I represent a non-profit fundraiser" and list the name of the organization.

South Dakota Taxes and Rates	
State Sales and Use Tax – Applies to all sales or purchases of taxable products and service. Sales tax does not apply to products or vehicles subject to the ag excise or motor vehicle excise taxes.	4.2%
Municipal Sales and Use Tax – Applies to all sales of products and services that are subject to the state sales tax or use tax if the purchaser receives or uses the product or service in a municipality that imposes a sales tax or use tax.	1 to 2%
Municipal Gross Receipts Tax (MGRT) – Imposed on alcoholic beverages, eating establishments, lodging accommodations, admissions to places of amusement, athletic, and cultural events. MGRT is in addition to municipal sales tax and use tax.	1%
Tourism Tax – Applies to certain lodging and amusement services. The tourism tax is used for the promotion of tourism in South Dakota. Tourism tax does not apply when you are remitting use tax.	1.5%

Fundraising Events

Some fundraising activities may be exempt from sales tax. To qualify for tax exemption on fundraising sales the receipts, after costs, must be dedicated for religious, benevolent, fraternal, youth association or charitable purposes. The fundraising activities cannot be for more than 3 consecutive dates. Contact DOR to discuss your fundraising event and confirm it qualifies for the sales tax exemption.

Organizing a Special Event

Organizers of a special event should notify the local DOR office about the event. The department will provide tax information and tax return forms for the vendors attending the event. For local office information, call our Taxpayer Assistance Center at 1-800-829-9188, or find us on the web at <https://dor.sd.gov/>

Charges for admissions, booth rentals or other vendor fees are subject to sales tax.

There are some exemptions for fundraising events and for membership organizations. Please discuss this when you contact the local DOR office to set up the event.

Frequently Asked Questions

How many vendors need to attend an event for it to be considered a special event?

- There is no minimum size requirement. If you are holding a special event contact DOR.

Is there a minimum amount of sales before I am required to report sales tax?

- No, there is no minimum. The sales tax applies to all sales.

I spent more money to get to the event and pay for a booth than I had sales, do I still owe sales tax?

- Yes, the sales tax applies to all sales to your customers. There are no deductions for expenses.


I live outside of South Dakota and I am attending one special event, do I need to collect South Dakota sales tax?

- Yes, all sales in South Dakota are subject to South Dakota sales tax.
- If you have an online business and sell into South Dakota throughout the year, you will also need a permanent South Dakota sales tax license for all your online sales into South Dakota.
- Find the sales tax license application here: <https://apps.sd.gov/rv23cedar/main/main.aspx>

Filing the Special Event Return

- All returns must be filed, even if you have no sales to report or are reporting sales on a permanent license.
- The return is due on the 20th of the following month from the event date.
⇒ ***The Sturgis Rally and State Fair have different due dates.***
- If you signed up for the event but do not attend, please notify DOR.
- If you would like to file and pay electronically (through E-Path), please contact DOR to create an account.
- See the following page for an example of how to complete a return.
- **Late Filing and Paying Penalty:** A penalty of 10% (.10) of the tax liability is assessed if a return is not received within 30 days following the month the return is due. The minimum penalty is \$10 and is assessed even if no tax is due. Interest: 1% (.01) interest will be assessed each month on any past due tax until the tax is paid in full. (A minimum of \$5.00 interest is due the first month).

Example of a Special Event Return. The filer had \$100.00 in sales. The sales were not prepared food.

ANY TOWN - SPECIAL EVENT CRAFT SHOW Event Date: June 1, 2021 to June 5, 2021 Return Due Date: July 20, 2021																																																				
ALL VENDORS NEED TO COMPLETE & SEND THIS FORM TO THE ADDRESS BELOW.																																																				
<p>READ CAREFULLY: Report your sales and pay the tax due on this form, <u>UNLESS</u> one of these statements applies to you.</p> <p style="text-align: center;"><i>I have a South Dakota Sales Tax License. Write the license below. Do not report any sales or tax on this form.</i> License Number: _____</p> <p style="text-align: center;"><i>I represent a non-profit fundraiser. List the organization name and complete the name/address section below. Do not report any sales or tax on this form. Non-profit Organization: _____</i></p> <p style="text-align: center;"><i>I am an independent representative. List the company name and complete the name/address section below. Do not report any sales or tax on this form. Direct Selling Company: _____</i></p>																																																				
LICENSE: 5099-9999-SE																																																				
NAME: Tax Payer BUSINESS NAME: Tax Payer Sales ADDRESS: 1001 Generic Drive CITY, STATE, ZIP: Any Town, SD 99999 TELEPHONE NUMBER: EMAIL ADDRESS:	DUE DATE: July 20, 2021 <i>Interest and penalty will apply to all returns filed after the due date.</i>																																																			
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">SALES TAX CALCULATIONS</th> <th style="text-align: center;">CODE</th> <th style="text-align: center;">TAXABLE SALES</th> <th style="text-align: center;">RATE</th> <th style="text-align: center;">TAX DUE</th> </tr> </thead> <tbody> <tr> <td>1 State Sales Tax</td> <td></td> <td style="text-align: right;">\$ 100.00</td> <td style="text-align: center;">4.50%</td> <td style="text-align: right;">\$ 4.50</td> </tr> <tr> <td>2 Tourism Tax</td> <td style="text-align: center;">700-1</td> <td style="text-align: right;">\$ 100.00</td> <td style="text-align: center;">1.50%</td> <td style="text-align: right;">\$ 1.50</td> </tr> <tr> <td>3 City Sales Tax for Any Town-G</td> <td style="text-align: center;">999-2</td> <td style="text-align: right;">\$ 100.00</td> <td style="text-align: center;">2.00%</td> <td style="text-align: right;">\$ 2.00</td> </tr> <tr> <td colspan="5" style="text-align: center;"><i>Prepared food, alcohol sales, and admissions are subject to an additional tax to be reported on line 4.</i></td> </tr> <tr> <td>4 Additional City Sales Tax for: Any Town-GR</td> <td style="text-align: center;">999-1</td> <td></td> <td style="text-align: center;">1.00%</td> <td style="text-align: right;">\$</td> </tr> <tr> <td colspan="4">5 Total Tax Due (add lines 1 through 4)</td> <td style="text-align: right;">\$ 8.00</td> </tr> <tr> <td colspan="4">6 Penalty/Interest (if applicable)</td> <td style="text-align: right;">\$</td> </tr> <tr> <td colspan="4">7 Total Due (add lines 5 plus 6)</td> <td style="text-align: right;">\$ 8.00</td> </tr> <tr> <td colspan="4">8 Amount Remitted - Make check payable to the South Dakota State Treasurer</td> <td style="text-align: right;">\$</td> </tr> </tbody> </table>			SALES TAX CALCULATIONS	CODE	TAXABLE SALES	RATE	TAX DUE	1 State Sales Tax		\$ 100.00	4.50%	\$ 4.50	2 Tourism Tax	700-1	\$ 100.00	1.50%	\$ 1.50	3 City Sales Tax for Any Town-G	999-2	\$ 100.00	2.00%	\$ 2.00	<i>Prepared food, alcohol sales, and admissions are subject to an additional tax to be reported on line 4.</i>					4 Additional City Sales Tax for: Any Town-GR	999-1		1.00%	\$	5 Total Tax Due (add lines 1 through 4)				\$ 8.00	6 Penalty/Interest (if applicable)				\$	7 Total Due (add lines 5 plus 6)				\$ 8.00	8 Amount Remitted - Make check payable to the South Dakota State Treasurer				\$
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<p>Please Note:</p> <ul style="list-style-type: none"> Sales tax applies on all sales made at the ANY TOWN - SPECIAL EVENT CRAFT SHOW. All sales at this event are subject to the state sales tax, the tourism tax and the applicable city sales tax for Any Town. <p>I declare under the penalties of perjury this return has been examined by me and to the best of my knowledge and belief is a true, correct and complete return.</p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 45%;"> _____ Date </div> <div style="width: 45%;"> _____ Licensee </div> </div>																																																				

Contact Us

If you have any questions, please contact the **South Dakota Department of Revenue.**

Call toll-free: 1-800-829-9188

Business Tax Division Email: bustax@state.sd.us

Website: <https://dor.sd.gov/>

Mailing address and office location: South Dakota Department of Revenue
 445 East Capitol Ave
 Pierre, SD 57501