**64:06:02:22.01.  Satellite systems.** Charges for connection of a satellite system for homeowner use are subject to sales tax. Contractor's excise tax must be remitted on all charges for the connection of a commercial system. The cost of installing poles or lines between the satellite dish and the building is subject to the contractor's excise tax.

 **Source:** 16 SDR 76, effective November 1, 1989; 21 SDR 219, effective July 1, 1995.

 **General Authority:** SDCL 10-45-47.1, 10-46A-19, 10-46B-18.

 **Law Implemented:** SDCL 10-45-5.2, 10-46A-2, 10-46B-2.

 **Examples:**

 (1)  A, a homeowner, contracts with B to install a satellite dish in the homeowner's yard for personal use. The cost of installation and connection of the system are subject to sales tax.

 (2)  KSD, a television station, installs a satellite system for commercial purposes. The cost of installing and connecting the system are subject to contractor's excise tax.

 (3)  The Rest Easy motel installs a satellite system for use by its patrons. The installation and connection costs are subject to the contractor's excise tax.