**64:06:02:41.  Jewelers and watch repair.** Gross receipts from retail sales of jewelry and other merchandise by a jewelry store are subject to sales tax. Charges for repair services by a jeweler or watch repair person are also subject to sales tax. Parts which become a part of a repaired item may be purchased by a jeweler or watch repair person exempt from sales tax because they are resold to the customer. A jeweler or watch repair person must pay use tax on the cost of equipment and supplies which the jeweler or watch repair person consumes unless the South Dakota sales tax has been paid to a licensed supplier.

**Source:** SL 1975, ch 16, § 1; 13 SDR 129, 13 SDR 134, effective July 1, 1987; 21 SDR 219, effective July 1, 1995.

**General Authority:** SDCL 10-45-47.1, 10-46-35.1.

**Law Implemented:** SDCL 10-45-2, 10-45-5, 10-46-2.