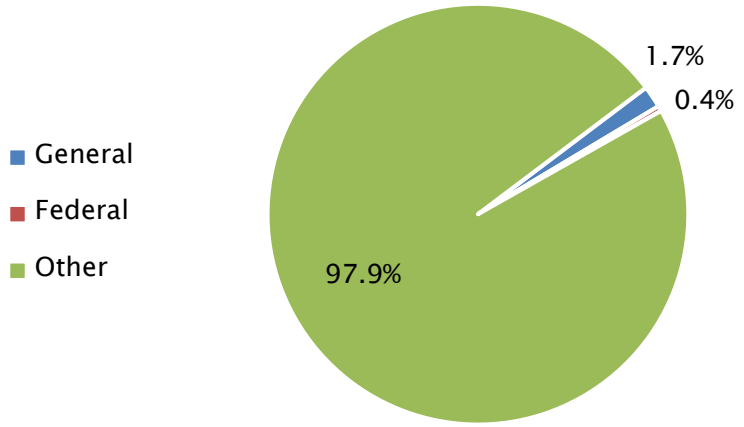
Fiscal Year 2021 Budget Briefing

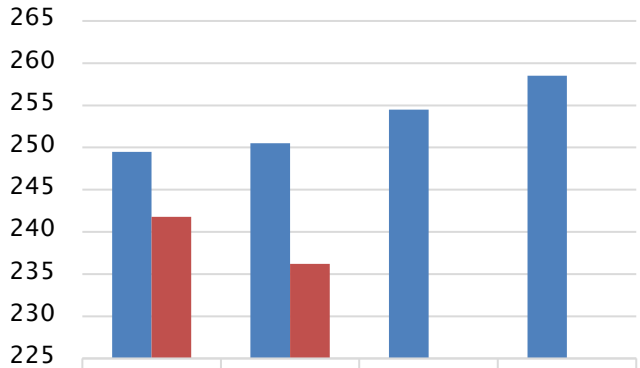
Department of Revenue

Information contained in this document is based on the Governor's FY2021 Budget and may not correspond with the final budget adopted by the Legislature.

Source of Funds

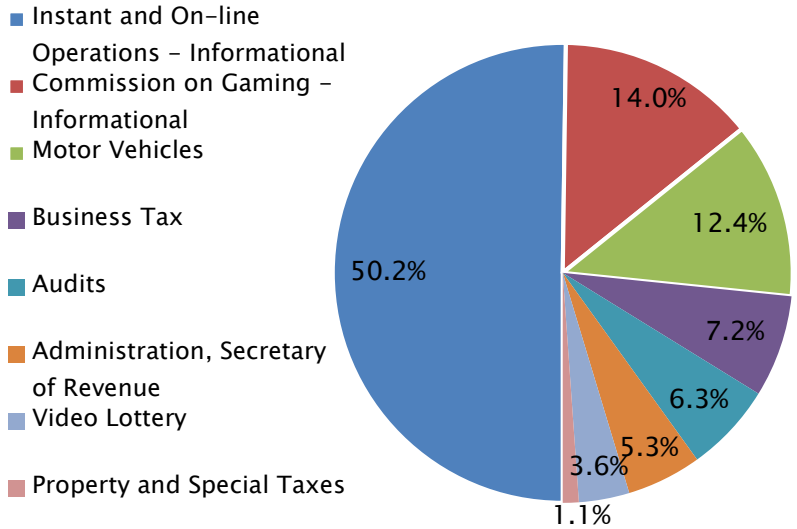


FTE



	FY18	FY19	FY20	FY21
Budgeted FTE	249.5	250.5	254.5	258.5
Actual FTE	241.8	236.2		

Distribution of Total Agency Funds



Distribution of Agency General Funds

Key Personnel

- Jim Terwilliger, Secretary
- Toni Richardson, Administration
- Rosa Yaeger, Motor Vehicles
- Michael Houdyshell, Chief Legal
- Doug Schinkel, Business Tax
- David Wiest, Deputy Secretary
- Lesley Coyle, Property Taxes
- Rachel Williams, Audits
- Norm Lingle, Lottery
- Susan Christian, Commission on Gaming

Mission of the Department of Revenue

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 taxpayers; to operate the state lottery established in SDCL 42-7A in a secure, efficient, and profitable manner; to provide for the safety and well-being of consumers and the general public by regulating the gaming, and racing industries.

Department of Revenue Budget Request

	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2021 Agency Request	FY 2021 Governors Recommended	Change From FY 2020
BY PROGRAM						
Secretariat	3,615,954	3,681,194	4,034,596	4,034,596	4,034,596	0
Business Tax	4,292,758	5,030,072	5,277,655	5,499,291	5,499,291	221,636
Motor Vehicles	6,593,005	6,928,346	9,512,247	9,512,247	9,512,247	0
Property Taxes	1,269,431	668,414	860,934	860,934	860,934	0
Audits	4,186,108	4,175,317	4,808,513	4,808,513	4,808,513	0
Instant and On-line Operations - Info	43,276,358	46,225,738	38,530,766	38,530,766	38,530,766	0
Video Lottery	2,179,418	2,142,710	2,721,185	2,721,185	2,721,185	0
Commission on Gaming - Info	10,267,152	9,434,051	10,750,477	10,750,477	10,750,477	0
Total	**75,680,183**	**78,285,842**	**76,496,373**	**76,718,009**	**76,718,009**	**221,636**
BY FUND CATEGORY						
General	1,269,431	1,246,119	1,371,676	860,934	860,934	(510,742)
Federal	300,000	386,618	308,036	308,036	308,036	0
Other	74,110,752	76,653,104	74,816,661	75,549,039	75,549,039	732,378
Total	**75,680,183**	**78,285,841**	**76,496,373**	**76,718,009**	**76,718,009**	**221,636**
BY OBJECT EXPENDITURE						
Personnel Costs	**15,633,036**	**15,291,529**	**17,604,949**	**17,816,185**	**17,816,185**	**211,236**
Salaries	11,773,033	11,662,863	13,231,168	13,381,420	13,381,420	150,252
Benefits	3,860,003	3,628,667	4,373,781	4,434,765	4,434,765	60,984

	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2021 Agency Request	FY 2021 Governors Recommended	Change From FY 2020
Operating Expenditures	**60,047,147**	**62,994,312**	**58,891,424**	**58,901,824**	**58,901,824**	**10,400**
Travel	663,069	641,973	1,000,198	1,009,398	1,009,398	9,200
Contractual Services	47,043,748	50,370,186	42,464,778	42,464,778	42,464,778	0
Supplies and Materials	3,046,403	3,253,485	5,607,713	5,607,713	5,607,713	0
Grants and Subsidies	8,903,587	8,051,209	9,175,000	9,175,000	9,175,000	0
Capital Outlay	137,293	374,798	350,735	351,935	351,935	1,200
Other	253,047	302,663	293,000	293,000	293,000	0
Total	**75,680,183**	**78,285,844**	**76,496,373**	**76,718,009**	**76,718,009**	**221,636**
Full-Time Equivalent (FTE)	**241.8**	**236.2**	**254.5**	**258.5**	**258.5**	**4.0**

Major Items Summary - Department of Revenue

	Agency Request					*Governor's Recommendation*				
	General	Federal	Other	Total	FTE	*General*	*Federal*	*Other*	*Total*	*FTE*
FY 2021 Base Budget	**1,371,676**	**308,036**	**74,816,661**	**76,496,373**	**254.5**	***1,371,676***	***308,036***	***74,816,661***	***76,496,373***	***254.5***
Maintenance of Current Operations										
A. Fund Swap - Sales & Use Tax Collection Fund	(510,742)	0	510,742	0	0.0	*(510,742)*	*0*	*510,742*	*0*	*0.0*
Total Maintenance Adjustments	**(510,742)**	**0**	**510,742**	**0**	**0.0**	***(510,742)***	***0***	***510,742***	***0***	***0.0***
FY 2021 Program Maintenance Budget	**860,934**	**308,036**	**75,327,403**	**76,496,373**	**254.5**	***860,934***	***308,036***	***75,327,403***	***76,496,373***	***254.5***
Program Line Items										
1. Tax Discovery Agents	0	0	221,636	221,636	4.0	*0*	*0*	*221,636*	*221,636*	*4.0*
Total Program Line Items	**0**	**0**	**221,636**	**221,636**	**4.0**	***0***	***0***	***221,636***	***221,636***	***4.0***
FY 2021 Total Budget	**860,934**	**308,036**	**75,549,039**	**76,718,009**	**258.5**	***860,934***	***308,036***	***75,549,039***	***76,718,009***	***258.5***
Change from Base Budget	(510,742)	0	732,378	221,636	4.0	*(510,742)*	*0*	*732,378*	*221,636*	*4.0*
% Change from Base Budget	(37.2%)	0.0%	1.0%	0.3%	1.6%	*(37.2%)*	*0.0%*	*1.0%*	*0.3%*	*1.6%*

Prior and Current Year Budget Recap - Department of Revenue

Prior Year Recap		FTE	General	Federal	Other	Total
FY 2019 Original Budget		**250.5**	**1,315,732**	**300,000**	**73,666,098**	**75,281,830**
Legislative Adjustments						
Prior Year Supplemental Health Insurance	PS		1,256	0	18,383	19,639
Prior Year Supplemental Health Insurance	OE		2,020	0	40,456	42,476
Total Legislative Adjustments		**0.0**	**3,276**	**0**	**58,839**	**62,115**
Agency Adjustments						
Prior Year One-Time Transfer	OE		0	86,618	(86,618)	0
Total Agency Adjustments		**0.0**	**0**	**86,618**	**(86,618)**	**0**
FY 2019 Adjusted Budget		**250.5**	**1,319,008**	**386,618**	**73,638,319**	**75,343,945**
Reversions						
Prior Year Reversions	PS		(72,889)	0	(1,254,493)	(1,327,382)
Prior Year Reversions	OE		0	0	4,269,278	4,269,278
Total Reversions		**0.0**	**(72,889)**	**0**	**3,014,785**	**2,941,896**
Unutilized FTE		**(14.3)**				
FY 2019 Percent Reverted		5.7%	(5.5%)	0.0%	4.1%	3.9%

Current Year Recap		FTE	General	Federal	Other	Total
FY 2020 Original Budget		**254.5**	**1,315,732**	**300,000**	**73,903,239**	**75,518,971**
Legislative Adjustments						
Salary Policy	PS		23,159	0	348,706	371,865
Health Insurance	PS		24,371	0	356,662	381,033
Adjust Minimums	PS		1,300	0	40,538	41,838
Salary Policy	OE		1,146	4,779	34,751	40,676
Health Insurance	OE		608	3,257	29,147	33,012
Bureau Billings	OE		2,659	0	52,626	55,285
Lodging and Per Diem	OE		2,701	0	50,992	53,693
Total Legislative Adjustments		**0.0**	**55,944**	**8,036**	**913,422**	**977,402**
Agency Adjustments						
Total Agency Adjustments		**0.0**	**0**	**0**	**0**	**0**
FY 2020 Adjusted Budget		**254.5**	**1,371,676**	**308,036**	**74,816,661**	**76,496,373**

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.

BUDGET REQUEST: ADMINISTRATION, SECRETARY OF REVENUE (0210)

	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2021 Agency Request	FY 2021 Governors Recommended	Change From FY 2020
BY PROGRAM						
General Administration	393,407	306,203	312,319	312,319	312,319	0
Administration	2,315,658	2,561,980	2,809,994	2,809,994	2,809,994	0
Legal	906,889	813,011	912,283	912,283	912,283	0
Total	**3,615,954**	**3,681,194**	**4,034,596**	**4,034,596**	**4,034,596**	**0**
BY FUND CATEGORY						
General	0	0	0	0	0	0
Federal	0	0	0	0	0	0
Other	3,615,954	3,681,194	4,034,596	4,034,596	4,034,596	0
Total	**3,615,954**	**3,681,194**	**4,034,596**	**4,034,596**	**4,034,596**	**0**
BY OBJECT EXPENDITURE						
Personnel Costs	**2,140,955**	**2,105,388**	**2,358,779**	**2,358,779**	**2,358,779**	**0**
Salaries	1,646,110	1,654,860	1,824,498	1,824,498	1,824,498	0
Benefits	494,846	450,528	534,281	534,281	534,281	0
Operating Expenditures	**1,474,999**	**1,575,806**	**1,675,817**	**1,675,817**	**1,675,817**	**0**
Travel	63,707	58,685	61,124	61,124	61,124	0
Contractual Services	1,323,605	1,255,887	1,517,718	1,517,718	1,517,718	0
Supplies and Materials	76,358	98,896	81,625	81,625	81,625	0
Grants and Subsidies	0	0	0	0	0	0
Capital Outlay	11,329	162,338	15,350	15,350	15,350	0
Other	0	0	0	0	0	0
Total	**3,615,955**	**3,681,194**	**4,034,596**	**4,034,596**	**4,034,596**	**0**
Full-Time Equivalent (FTE)	**29.0**	**26.0**	**29.0**	**29.0**	**29.0**	**0.0**

FUNDING Sources (Agency Recommended)	**General**	**Federal**	**Other**	**%General**	**%Federal**	**%Other**
GAMING & RACING	0	0	46,071	0.0%	0.0%	100.0%
SALES & USE TAX COLLECTION FUN	0	0	2,471,733	0.0%	0.0%	100.0%
STATE MOTOR VEHICLE FUND	0	0	1,516,792	0.0%	0.0%	100.0%

MAJOR ITEMS SUMMARY: ADMINISTRATION, SECRETARY OF REVENUE (0210)

	Agency Request					*Governor's Recommendation*				
	General	Federal	Other	Total	FTE	*General*	*Federal*	*Other*	*Total*	*FTE*
FY 2021 Base Budget	**0**	**0**	**4,034,596**	**4,034,596**	**29.0**	***0***	***0***	***4,034,596***	***4,034,596***	***29.0***
Maintenance of Current Operations										
Total Maintenance Adjustments	**0**	**0**	**0**	**0**	**0.0**	***0***	***0***	***0***	***0***	***0.0***
FY 2021 Program Maintenance Budget	**0**	**0**	**4,034,596**	**4,034,596**	**29.0**	***0***	***0***	***4,034,596***	***4,034,596***	***29.0***
Program Line Items										
Total Program Line Items	**0**	**0**	**0**	**0**	**0.0**	***0***	***0***	***0***	***0***	***0.0***
FY 2021 Total Budget	**0**	**0**	**4,034,596**	**4,034,596**	**29.0**	***0***	***0***	***4,034,596***	***4,034,596***	***29.0***
Change from Base Budget	0	0	0	0	0.0	*0*	*0*	*0*	*0*	*0.0*
% Change from Base Budget	0.0%	0.0%	0.0%	0.0%	0.0%	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

BUDGET DETAIL: ADMINISTRATION, SECRETARY OF REVENUE (0210)

Prior Year Recap		**FTE**	**General**	**Federal**	**Other**	**Total**
FY 2019 Original Budget		**29.0**	**0**	**0**	**3,912,998**	**3,912,998**
Legislative Adjustments						
Prior Year Supplemental Health Insurance	PS		0	0	2,318	2,318
Prior Year Supplemental Health Insurance	OE		0	0	2,907	2,907
Total Legislative Adjustments		**0.0**	**0**	**0**	**5,225**	**5,225**
Agency Adjustments						
Prior Year One-Time Transfer	OE		0	0	150,000	150,000
Total Agency Adjustments		**0.0**	**0**	**0**	**150,000**	**150,000**
FY 2019 Adjusted Budget		**29.0**	**0**	**0**	**4,068,223**	**4,068,223**
Reversions						
Prior Year Reversions	PS		0	0	(154,979)	(154,979)
Prior Year Reversions	OE		0	0	(232,050)	(232,050)
Total Reversions		**0.0**	**0**	**0**	**(387,029)**	**(387,029)**
Unutilized FTE		**(3.0)**				
FY 2019 Percent Reverted		10.3%	0	0	(9.9%)	(9.9%)

Prior Year Budget Transfer JB2019204

The agency completed a one-time FY2019 budget transfer of **$150,000** in **other fund** expenditure authority, from Motor Vehicles to Administration. The funds covered one-time costs incurred for office equipment. The expenditure authority was available due to lower operating expenses than budgeted.

Current Year Recap		FTE	General	Federal	Other	Total
FY 2020 Original Budget		**29.0**	**0**	**0**	**3,912,998**	**3,912,998**
Legislative Adjustments						
Salary Policy	PS		0	0	50,656	50,656
Health Insurance	PS		0	0	44,182	44,182
Adjust Minimums	PS		0	0	5,892	5,892
Salary Policy	OE		0	0	8,554	8,554
Health Insurance	OE		0	0	6,715	6,715
Bureau Billings	OE		0	0	2,560	2,560
Lodging and Per Diem	OE		0	0	3,039	3,039
Total Legislative Adjustments		**0.0**	**0**	**0**	**121,598**	**121,598**
Agency Adjustments						
Total Agency Adjustments		**0.0**	**0**	**0**	**0**	**0**
FY 2020 Adjusted Budget		**29.0**	**0**	**0**	**4,034,596**	**4,034,596**

FY 2021 Base	FTE	General	Federal	Other	Total
Agency Request	29.0	**0**	**0**	**4,034,596**	**4,034,596**
Governor's Recommendation	*29.0*	*0*	*0*	*4,034,596*	*4,034,596*

FY 2021 Maintenance of Current Operations	FTE	General	Federal	Other	Total
Agency Request	29.0	**0**	**0**	**4,034,596**	**4,034,596**
Governor's Recommendation	*29.0*	*0*	*0*	*4,034,596*	*4,034,596*

FY 2021 Total	FTE	General	Federal	Other	Total
Agency Request	29.0	**0**	**0**	**4,034,596**	**4,034,596**
Governor's Recommendation	*29.0*	*0*	*0*	*4,034,596*	*4,034,596*

	FTE	General	Federal	Other	Total
Agency Request					
Change from Original Appropriation	0.0	0	0	0	0
% Change from Original Appropriation	0.0%	0.0%	0.0%	0.0%	0.0%
Governor's Recommendation					
Change from Original Appropriation	*0.0*	*0*	*0*	*0*	*0*
% Change from Original Appropriation	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

REVENUES AND STATISTICS: ADMINISTRATION, SECRETARY OF REVENUE (0210)

Revenues	Actual FY 2018	Actual FY 2019	Estimated FY 2020	Estimated FY 2021
Sales/Use & CET Electronic Filing Collections	1,356,984,524	1,449,505,697	1,521,980,982	1,582,860,221
Remittance Center Collections:	0	0	0	0
Collections-Department of Revenue	347,958,478	231,479,197	225,000,000	220,000,000
Collections-Other State Agencies	194,089,846	126,999,738	83,700,000	40,500,000

Performance Indicators	Actual FY 2018	Actual FY 2019	Estimated FY 2020	Estimated FY 2021
Legal Staff:				
Seminars-Border States CET	1 / 4	1 / 10	2 / 20	2 / 20
Seminars-Border States SUT	1 / 4	1 / 16	2 / 20	2 / 20
Presentations-Special Interest Groups	51 / 1,387	14 / 313	20 / 500	20 / 500
Department Cases Opened	348	469	450	450
ISB Investigations	192	177	235	235
Remittance Center:				
Documents Processed-Revenue	217,930	185,328	180,000	175,000
Documents Processed-Other Agencies	42,155	26,378	20,000	17,500
Business Education (Held / Attended):				
Seminars-Contractors' Excise Tax (CET)	20 / 225	16 / 186	20 / 200	20 / 200
Seminars-Sales/Use Tax (SUT)	39 / 399	31 / 282	20 / 200	20 / 200

BUSINESS TAX (0220)

To process sales, use, and contractor's excise tax payments; to ensure compliance with sales and use tax and contractor's excise tax laws through the efficient utilization of personnel; to administer municipal and special jurisdiction sales and use taxes, along with municipal excise tax enacted pursuant to SDCL 10-52; to maintain an efficient and reconcilable sales and excise tax accounts receivable system; to provide collection services on taxpayer accounts; and, to promote sales tax equity on a national basis through simplification of sales tax laws and administration.

To provide supervision and guidance on all matters pertaining to the issuance of licenses, stamps, and permits, and the collection and disposition of alcohol and malt beverage taxes, cigarette excise tax, franchise tax, mineral tax, severance tax, alcohol beverage brand registration fees, coin-operated washer-dryer permit fees, trading stamps, conservation tax, amusement machine registration fees, bingo license fee and tax; to provide 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, to audit claims and issue proper tax refund payments to those qualifying within the time prescribed by law.

BUDGET REQUEST: BUSINESS TAX (0220)

	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2021 Agency Request	FY 2021 Governors Recommended	Change From FY 2020
BY PROGRAM						
Business Tax	4,950,740	5,030,072	5,277,655	5,499,291	5,499,291	221,636
Total	**4,950,740**	**5,030,072**	**5,277,655**	**5,499,291**	**5,499,291**	**221,636**
BY FUND CATEGORY						
General	657,982	577,706	510,742	0	0	(510,742)
Federal	0	0	0	0	0	0
Other	4,292,758	4,452,366	4,766,913	5,499,291	5,499,291	732,378
Total	**4,950,740**	**5,030,072**	**5,277,655**	**5,499,291**	**5,499,291**	**221,636**
BY OBJECT EXPENDITURE						
Personnel Costs	**3,944,730**	**3,885,625**	**4,280,153**	**4,491,389**	**4,491,389**	**211,236**
Salaries	2,965,282	2,949,880	3,184,272	3,334,524	3,334,524	150,252
Benefits	979,448	935,744	1,095,881	1,156,865	1,156,865	60,984
Operating Expenditures	**1,006,010**	**1,144,448**	**997,502**	**1,007,902**	**1,007,902**	**10,400**
Travel	106,553	110,714	154,535	163,735	163,735	9,200
Contractual Services	567,359	614,602	434,861	434,861	434,861	0
Supplies and Materials	305,536	288,140	384,694	384,694	384,694	0
Grants and Subsidies	0	0	0	0	0	0
Capital Outlay	26,563	125,647	23,412	24,612	24,612	1,200
Other	0	5,345	0	0	0	0
Total	**4,950,741**	**5,030,072**	**5,277,655**	**5,499,291**	**5,499,291**	**221,636**
Full-Time Equivalent (FTE)	**61.4**	**62.0**	**66.5**	**70.5**	**70.5**	**4.0**

FUNDING Sources (Agency Recommended)	**General**	**Federal**	**Other**	**%General**	**%Federal**	**%Other**
SALES & USE TAX COLLECTION FUN	0	0	5,499,291	0.0%	0.0%	100.0%

MAJOR ITEMS SUMMARY: BUSINESS TAX (0220)

	Agency Request					*Governor's Recommendation*				
	General	Federal	Other	Total	FTE	*General*	*Federal*	*Other*	*Total*	*FTE*
FY 2021 Base Budget	**510,742**	**0**	**4,766,913**	**5,277,655**	**66.5**	***510,742***	***0***	***4,766,913***	***5,277,655***	***66.5***
Maintenance of Current Operations										
A. Fund Swap - Sales & Use Tax Collection Fund	(510,742)	0	510,742	0	0.0	*(510,742)*	*0*	*510,742*	*0*	*0.0*
Total Maintenance Adjustments	**(510,742)**	**0**	**510,742**	**0**	**0.0**	***(510,742)***	***0***	***510,742***	***0***	***0.0***
FY 2021 Program Maintenance Budget	**0**	**0**	**5,277,655**	**5,277,655**	**66.5**	***0***	***0***	***5,277,655***	***5,277,655***	***66.5***
Program Line Items										
1. Tax Discovery Agents	0	0	221,636	221,636	0.0	*0*	*0*	*221,636*	*221,636*	*0.0*
Total Program Line Items	**0**	**0**	**221,636**	**221,636**	**0.0**	***0***	***0***	***221,636***	***221,636***	***0.0***
FY 2021 Total Budget	**0**	**0**	**5,499,291**	**5,499,291**	**70.5**	***0***	***0***	***5,499,291***	***5,499,291***	***70.5***
Change from Base Budget	(510,742)	0	732,378	221,636	4.0	*(510,742)*	*0*	*732,378*	*221,636*	*4.0*
% Change from Base Budget	(100.0%)	0.0%	15.4%	4.2%	6.0%	*(100.0%)*	*0.0%*	*15.4%*	*4.2%*	*6.0%*

BUDGET DETAIL: BUSINESS TAX (0220)

Prior Year Recap		**FTE**	**General**	**Federal**	**Other**	**Total**
FY 2019 Original Budget		**57.5**	**0**	**0**	**4,451,149**	**4,451,149**
Legislative Adjustments						
Prior Year Supplemental Health Insurance	PS		0	0	4,541	4,541
Prior Year Supplemental Health Insurance	OE		0	0	8,493	8,493
Total Legislative Adjustments		**0.0**	**0**	**0**	**13,034**	**13,034**
Agency Adjustments						
Prior Year One-Time Transfer	OE		0	0	170,000	170,000
Total Agency Adjustments		**0.0**	**0**	**0**	**170,000**	**170,000**
FY 2019 Adjusted Budget		**57.5**	**0**	**0**	**4,634,183**	**4,634,183**
Reversions						
Prior Year Reversions	PS		0	0	(136,190)	(136,190)
Prior Year Reversions	OE		0	0	(45,627)	(45,627)
Total Reversions		**0.0**	**0**	**0**	**(181,817)**	**(181,817)**
Unutilized FTE		**4.5**				
FY 2019 Percent Reverted		(7.9%)	0	0	(4.1%)	(4.1%)

Prior Year Budget Transfer JB2019204

The agency completed a one-time FY2019 budget transfer of **$170,000** in **other fun**d expenditure authority, from Motor Vehicles to Business Tax. The funds covered one-time costs incurred for computer hardware and services. The expenditure authority was available due to lower operating expenses than budgeted.

Current Year Recap		FTE	General	Federal	Other	Total
FY 2020 Original Budget		**59.5**	**0**	**0**	**4,558,235**	**4,558,235**
Legislative Adjustments						
Salary Policy	PS		0	0	80,089	80,089
Health Insurance	PS		0	0	89,625	89,625
Adjust Minimums	PS		0	0	9,262	9,262
Salary Policy	OE		0	0	4,306	4,306
Health Insurance	OE		0	0	3,245	3,245
Bureau Billings	OE		0	0	11,324	11,324
Lodging and Per Diem	OE		0	0	10,827	10,827
Total Legislative Adjustments		**0.0**	**0**	**0**	**208,678**	**208,678**
Agency Adjustments						
Total Agency Adjustments		**0.0**	**0**	**0**	**0**	**0**
FY 2020 Adjusted Budget		**59.5**	**0**	**0**	**4,766,913**	**4,766,913**

FY 2021 Base	FTE	General	Federal	Other	Total
Agency Request	66.5	**510,742**	**0**	**4,766,913**	**5,277,655**
Governor's Recommendation	*66.5*	*510,742*	*0*	*4,766,913*	*5,277,655*

A. Fund Swap - General to Sales & Use Tax Collection Fund

The agency requests a shift of **$510,742**. General funds will decrease, while other fund expenditure authority will increase by the same amount. The special taxes division was reorganized internally and placed under the business tax division. Historically the business tax division has been funded solely through the sales and use tax collection fund. The request maintains funding the entire division through the sales and use tax collection fund. *The Governor recommends this request.*

While the fund source is different the dollars are the same dollars. The request will have a net zero impact to the overall budget as long as the reduction in general funds remains unspent.

	FTE	General	Federal	Other	Total
Agency Request	0.0	(510,742)	0	510,742	0
Governor's Recommendation	*0.0*	*(510,742)*	*0*	*510,742*	*0*

FY 2021 Maintenance of Current Operations	FTE	General	Federal	Other	Total
Agency Request	66.5	**0**	**0**	**5,277,655**	**5,277,655**
Governor's Recommendation	*66.5*	*0*	*0*	*5,277,655*	*5,277,655*

1. Tax Discovery Agents

The agency requests an increase of **$221,636** in **other fund** expenditure authority and **4 FTE** for additional tax discovery agents. The agents will work on compliance of online vendors regarding the remote seller and marketplace provider laws. However, most agents will at times work on both e-commerce and in-state compliance issues. Due to a large increase in licensing among remote sellers and marketplace providers, the agency has been shifting agents to assist, which has reduced focus on in-state compliance of sales and contractor's excise tax. The additional agents will provide better coverage of remoter sellers and in-state compliance. Fund source: sales and use tax collection fund.

Two tax discovery agents were budgeted in FY2020. The request would increase the total to six revenue agents with focus on remote seller and marketplace compliance and licensing. The agency does have five other agents who focus on in-state tax discovery and compliance. *The Governor recommends this request.*

	FTE	General	Federal	Other	Total
Agency Request	0.0	0	0	221,636	221,636
Governor's Recommendation	*0.0*	*0*	*0*	*221,636*	*221,636*
FY 2021 Total	**FTE**	**General**	**Federal**	**Other**	**Total**
Agency Request	70.5	**0**	**0**	**5,499,291**	**5,499,291**
Governor's Recommendation	*70.5*	*0*	*0*	*5,499,291*	*5,499,291*

	FTE	General	Federal	Other	Total
Agency Request					
Change from Original Appropriation	4.0	(510,742)	0	732,378	221,636
% Change from Original Appropriation	6.0%	(100.0%)	0.0%	15.4%	4.2%
Governor's Recommendation					
Change from Original Appropriation	*4.0*	*(510,742)*	*0*	*732,378*	*221,636*
% Change from Original Appropriation	*6.0%*	*(100.0%)*	*0.0%*	*15.4%*	*4.2%*

REVENUES AND STATISTICS: BUSINESS TAX (0220)

Revenues	Actual FY 2018	Actual FY 2019	Estimated FY 2020	Estimated FY 2021
Collections-Other State Agencies	29,567,429	30,333,963	30,940,642	31,559,455
Collections-Department of Revenue:	0	0	0	0
State Sales/Use Tax	988,823,603	1,025,401,209	1,071,609,815	1,088,181,339
Contractor's Excise Tax	107,626,628	113,163,617	117,811,978	121,800,414
Streamlined Sales Tax Collections	3,613,791	4,498,078	4,722,982	4,959,131
Telecom Excise Tax	8,218,542	8,482,946	8,250,000	8,250,000

Performance Indicators	Actual FY 2018	Actual FY 2019	Estimated FY 2020	Estimated FY 2021
Total Active Licenses	85,147	89,842	90,000	91,000
Tax Refund Applications Received	1,863	1,791	1,850	1,850
Applications Refunded / Amount Refunded	1,763 / $417,476	1,644 / $413,853	1,700 / $438,500	1,700 / $438,500
Bank Franchise Returns	963	931	1,000	1,000
Cigarette Wholesaler & Distributor Licenses	75	76	80	80
Cigarette Retailers Registered	2,118	2,075	2,175	2,175
Cigarette Stamps	34,745,250	31,656,000	35,000,000	35,000,000
Other Tobacco Products Reports Filed	898	954	960	960
Retail Compliance Checks / Cigarette Seizures	776 / 0	710 / 41	800 / 60	800 / 60
Liquor & Beer Licenses	6,682	5,983	6,200	6,200
Delinquent/Out-of-Balance Notices	167,720	174,981	175,000	175,000
Licensee Reviews *	336	251	400	400
Balance Active Accounts Receivable (July 1)	$6,095,699	$7,064,501	$6,000,000	$6,000,000
Returns Processed-Paper	197,424	178,471	180,000	180,000
Returns Processed-Electronic	360,970	397,275	405,000	410,000
Returns Reviewed/Violated	28,883	30,157	30,000	30,000
Phone Bank Calls (1-800) + Chat	30,892	33,548	33,000	33,000
Collection Allowance Deductions	$5,017,094	$5,302,192	$5,567,302	$5,845,667

MOTOR VEHICLES (0230)

To provide prompt and courteous customer service to all stakeholders, while administering the motor vehicle laws of South Dakota.

BUDGET REQUEST: MOTOR VEHICLES (0230)

	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2021 Agency Request	FY 2021 Governors Recommended	Change From FY 2020
BY PROGRAM						
Motor Vehicles Administration	1,083,041	895,695	772,714	772,714	772,714	0
Titles and Registration	2,371,099	2,776,343	3,272,331	3,272,331	3,272,331	0
License Plate Revolving	1,820,753	1,885,211	4,006,937	4,006,937	4,006,937	0
Fuel Taxation	1,318,113	1,371,097	1,460,265	1,460,265	1,460,265	0
Total	**6,593,005**	**6,928,346**	**9,512,247**	**9,512,247**	**9,512,247**	**0**
BY FUND CATEGORY						
General	0	0	0	0	0	0
Federal	300,000	386,618	308,036	308,036	308,036	0
Other	6,293,005	6,541,728	9,204,211	9,204,211	9,204,211	0
Total	**6,593,005**	**6,928,346**	**9,512,247**	**9,512,247**	**9,512,247**	**0**
BY OBJECT EXPENDITURE						
Personnel Costs	**2,582,292**	**2,367,255**	**2,715,142**	**2,715,142**	**2,715,142**	**0**
Salaries	1,869,149	1,733,488	1,990,524	1,990,524	1,990,524	0
Benefits	713,143	633,767	724,618	724,618	724,618	0
Operating Expenditures	**4,010,713**	**4,561,092**	**6,797,105**	**6,797,105**	**6,797,105**	**0**
Travel	45,538	41,217	60,150	60,150	60,150	0
Contractual Services	2,014,806	2,466,247	2,387,697	2,387,697	2,387,697	0
Supplies and Materials	1,909,180	2,031,315	4,295,699	4,295,699	4,295,699	0
Grants and Subsidies	1,393	0	0	0	0	0
Capital Outlay	39,797	22,313	53,559	53,559	53,559	0
Other	0	0	0	0	0	0
Total	**6,593,006**	**6,928,347**	**9,512,247**	**9,512,247**	**9,512,247**	**0**
Full-Time Equivalent (FTE)	**49.1**	**45.1**	**47.0**	**47.0**	**47.0**	**0.0**

FUNDING Sources (Agency Recommended)	**General**	**Federal**	**Other**	**%General**	**%Federal**	**%Other**
MOTOR CARRIER ASSISTANCE	0	308,036	0	0.0%	100.0%	0.0%
LICENSE PLATE REVOLVING	0	0	4,006,937	0.0%	0.0%	100.0%
STATE MOTOR VEHICLE FUND	0	0	5,197,274	0.0%	0.0%	100.0%

MAJOR ITEMS SUMMARY: MOTOR VEHICLES (0230)

	Agency Request					*Governor's Recommendation*				
	General	Federal	Other	Total	FTE	*General*	*Federal*	*Other*	*Total*	*FTE*
FY 2021 Base Budget	**0**	**308,036**	**9,204,211**	**9,512,247**	**47.0**	***0***	***308,036***	***9,204,211***	***9,512,247***	***47.0***
Maintenance of Current Operations										
Total Maintenance Adjustments	**0**	**0**	**0**	**0**	**0.0**	***0***	***0***	***0***	***0***	***0.0***
FY 2021 Program Maintenance Budget	**0**	**308,036**	**9,204,211**	**9,512,247**	**47.0**	***0***	***308,036***	***9,204,211***	***9,512,247***	***47.0***
Program Line Items										
Total Program Line Items	**0**	**0**	**0**	**0**	**0.0**	***0***	***0***	***0***	***0***	***0.0***
FY 2021 Total Budget	**0**	**308,036**	**9,204,211**	**9,512,247**	**47.0**	***0***	***308,036***	***9,204,211***	***9,512,247***	***47.0***
Change from Base Budget	0	0	0	0	0.0	*0*	*0*	*0*	*0*	*0.0*
% Change from Base Budget	0.0%	0.0%	0.0%	0.0%	0.0%	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

BUDGET DETAIL: MOTOR VEHICLES (0230)

Prior Year Recap		**FTE**	**General**	**Federal**	**Other**	**Total**
FY 2019 Original Budget		**47.0**	**0**	**300,000**	**9,035,331**	**9,335,331**
Legislative Adjustments						
Prior Year Supplemental Health Insurance	PS		0	0	3,650	3,650
Prior Year Supplemental Health Insurance	OE		0	0	3,260	3,260
Total Legislative Adjustments		**0.0**	**0**	**0**	**6,910**	**6,910**
Agency Adjustments						
Prior Year One-Time Transfer	OE		0	86,618	(406,618)	(320,000)
Total Agency Adjustments		**0.0**	**0**	**86,618**	**(406,618)**	**(320,000)**
FY 2019 Adjusted Budget		**47.0**	**0**	**386,618**	**8,635,623**	**9,022,241**
Reversions						
Prior Year Reversions	PS		0	0	(220,162)	(220,162)
Prior Year Reversions	OE		0	0	(1,873,732)	(1,873,732)
Total Reversions		**0.0**	**0**	**0**	**(2,093,894)**	**(2,093,894)**
Unutilized FTE		**(1.9)**				
FY 2019 Percent Reverted		4.1%	0	0.0%	(23.2%)	(22.4%)

Prior Year Budget Transfer JB2019204

The agency completed a **one-time** FY2019 net budget transfer of **($320,000)** in total expenditure authority. The agency converted $86,618 in other fund expenditure authority to federal authority. The agency transferred $320,000 in other fund expenditure authority from Motor Vehicles to Business Tax and Administration. The funds covered one-time costs incurred for office equipment and computer hardware and services. The expenditure authority was available due to lower operating expenses than budgeted.

Current Year Recap		FTE	General	Federal	Other	Total
FY 2020 Original Budget		**47.0**	**0**	**300,000**	**9,035,331**	**9,335,331**
Legislative Adjustments						
Salary Policy	PS		0	0	55,265	55,265
Health Insurance	PS		0	0	69,658	69,658
Adjust Minimums	PS		0	0	6,452	6,452
Salary Policy	OE		0	4,779	15,971	20,750
Health Insurance	OE		0	3,257	12,290	15,547
Bureau Billings	OE		0	0	4,347	4,347
Lodging and Per Diem	OE		0	0	4,897	4,897
Total Legislative Adjustments		**0.0**	**0**	**8,036**	**168,880**	**176,916**
Agency Adjustments						
Total Agency Adjustments		**0.0**	**0**	**0**	**0**	**0**
FY 2020 Adjusted Budget		**47.0**	**0**	**308,036**	**9,204,211**	**9,512,247**

FY 2021 Base	FTE	General	Federal	Other	Total
Agency Request	47.0	**0**	**308,036**	**9,204,211**	**9,512,247**
Governor's Recommendation	*47.0*	*0*	*308,036*	*9,204,211*	*9,512,247*

FY 2021 Maintenance of Current Operations	FTE	General	Federal	Other	Total
Agency Request	47.0	**0**	**308,036**	**9,204,211**	**9,512,247**
Governor's Recommendation	*47.0*	*0*	*308,036*	*9,204,211*	*9,512,247*

FY 2021 Total	FTE	General	Federal	Other	Total
Agency Request	47.0	**0**	**308,036**	**9,204,211**	**9,512,247**
Governor's Recommendation	*47.0*	*0*	*308,036*	*9,204,211*	*9,512,247*

	FTE	General	Federal	Other	Total
Agency Request					
Change from Original Appropriation	0.0	0	0	0	0
% Change from Original Appropriation	0.0%	0.0%	0.0%	0.0%	0.0%
Governor's Recommendation					
Change from Original Appropriation	*0.0*	*0*	*0*	*0*	*0*
% Change from Original Appropriation	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

REVENUES AND STATISTICS: MOTOR VEHICLES (0230)

Revenues	Actual FY 2018	Actual FY 2019	Estimated FY 2020	Estimated FY 2021
Collections:	0	0	0	0
Motor Vehicle Fees	176,650,433	181,004,863	181,000,000	181,000,000
Motor Vehicle Commercial Fees	20,302,696	21,097,535	21,000,000	21,000,000
Motor Fuel Taxes	208,024,337	210,520,219	210,500,000	210,500,000

Performance Indicators	Actual FY 2018	Actual FY 2019	Estimated FY 2020	Estimated FY 2021
Certificates of Title Issued	391,810	380,898	385,000	385,000
Fuel Blender	92	93	95	95
Highway Contractors Licenses	513	523	525	525
Marketers Licenses	1,383	1,419	1,420	1,420
Ethanol Producers	16	32	32	32
Ethanol Brokers	11	10	10	10
Phone Bank Calls Handled	65,567	59,107	60,000	60,000
Specialty Plates Issued	47,644	48,055	48,000	48,000
Vehicles Registered - Total	1,533,549	1,527,593	1,530,000	1,530,000
Internet/Self-Service Terminal	69,753 / 85,189	68,671 / 97,979	70,000 / 100,000	70,000 / 100,000
Licensed Vehicle Dealers	1,351	1,343	1,350	1,350
Internat'l Fuel Tax Assoc (IFTA) Licenses	2,801	2,791	2,800	2,800
Prorate Power Units Licensed	10,522	10,766	10,600	10,600
Fuel Suppliers	74	79	79	79
Fuel Importers & Exporters	307	307	307	307

PROPERTY TAXES (0240)

To exercise general supervision over the administration of the property assessment and tax laws of the state and all assessing officers in the performance of their duties. Provide 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. Provide technical assistance and guidance in the assessment of all classes of property and assist agricultural land evaluation using modern detailed soil surveys. Determine the market value of the companies required to be centrally assessed, calculate gross receipts and taxes payable on certain telephone and commercial wind energy companies, and rural electric associations.

BUDGET REQUEST: PROPERTY TAXES (0240)

	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2021 Agency Request	FY 2021 Governors Recommended	Change From FY 2020
BY PROGRAM						
Property Taxes	611,449	668,414	860,934	860,934	860,934	0
Total	**611,449**	**668,414**	**860,934**	**860,934**	**860,934**	**0**
BY FUND CATEGORY						
General	611,449	668,414	860,934	860,934	860,934	0
Federal	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total	**611,449**	**668,414**	**860,934**	**860,934**	**860,934**	**0**
BY OBJECT EXPENDITURE						
Personnel Costs	**536,015**	**522,491**	**658,536**	**658,536**	**658,536**	**0**
Salaries	409,365	401,172	497,061	497,061	497,061	0
Benefits	126,650	121,318	161,475	161,475	161,475	0
Operating Expenditures	**75,434**	**145,923**	**202,398**	**202,398**	**202,398**	**0**
Travel	16,641	17,795	22,804	22,804	22,804	0
Contractual Services	48,229	114,856	150,703	150,703	150,703	0
Supplies and Materials	6,334	8,730	25,843	25,843	25,843	0
Grants and Subsidies	0	0	0	0	0	0
Capital Outlay	4,229	4,541	3,048	3,048	3,048	0
Other	0	0	0	0	0	0
Total	**611,448**	**668,412**	**860,934**	**860,934**	**860,934**	**0**
Full-Time Equivalent (FTE)	**8.0**	**7.9**	**8.0**	**8.0**	**8.0**	**0.0**

FUNDING Sources (Agency Recommended)	**General**	**Federal**	**Other**	**%General**	**%Federal**	**%Other**
STATE GENERAL FUND	860,934	0	0	100.0%	0.0%	0.0%

MAJOR ITEMS SUMMARY: PROPERTY TAXES (0240)

	Agency Request					*Governor's Recommendation*				
	General	Federal	Other	Total	FTE	*General*	*Federal*	*Other*	*Total*	*FTE*
FY 2021 Base Budget	**860,934**	**0**	**0**	**860,934**	**8.0**	***860,934***	***0***	***0***	***860,934***	***8.0***
Maintenance of Current Operations										
Total Maintenance Adjustments	**0**	**0**	**0**	**0**	**0.0**	***0***	***0***	***0***	***0***	***0.0***
FY 2021 Program Maintenance Budget	**860,934**	**0**	**0**	**860,934**	**8.0**	***860,934***	***0***	***0***	***860,934***	***8.0***
Program Line Items										
Total Program Line Items	**0**	**0**	**0**	**0**	**0.0**	***0***	***0***	***0***	***0***	***0.0***
FY 2021 Total Budget	**860,934**	**0**	**0**	**860,934**	**8.0**	***860,934***	***0***	***0***	***860,934***	***8.0***
Change from Base Budget	0	0	0	0	0.0	*0*	*0*	*0*	*0*	*0.0*
% Change from Base Budget	0.0%	0.0%	0.0%	0.0%	0.0%	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

BUDGET DETAIL: PROPERTY TAXES (0240)

Prior Year Recap		**FTE**	**General**	**Federal**	**Other**	**Total**
FY 2019 Original Budget		**15.0**	**1,315,732**	**0**	**0**	**1,315,732**
Legislative Adjustments						
Prior Year Supplemental Health Insurance	PS		1,256	0	0	1,256
Prior Year Supplemental Health Insurance	OE		2,020	0	0	2,020
Total Legislative Adjustments		**0.0**	**3,276**	**0**	**0**	**3,276**
Agency Adjustments						
Total Agency Adjustments		**0.0**	**0**	**0**	**0**	**0**
FY 2019 Adjusted Budget		**15.0**	**1,319,008**	**0**	**0**	**1,319,008**
Reversions						
Prior Year Reversions	PS		(72,889)	0	0	(72,889)
Prior Year Reversions	OE		0	0	0	0
Total Reversions		**0.0**	**(72,889)**	**0**	**0**	**(72,889)**
Unutilized FTE		**(7.1)**				
FY 2019 Percent Reverted		47.3%	(5.5%)	0	0	(5.5%)

Current Year Recap		**FTE**	**General**	**Federal**	**Other**	**Total**
FY 2020 Original Budget		**15.0**	**1,315,732**	**0**	**0**	**1,315,732**
Legislative Adjustments						
Salary Policy	PS		23,159	0	0	23,159
Health Insurance	PS		24,371	0	0	24,371

Current Year Recap		FTE	General	Federal	Other	Total
Adjust Minimums	PS		1,300	0	0	1,300
Salary Policy	OE		1,146	0	0	1,146
Health Insurance	OE		608	0	0	608
Bureau Billings	OE		2,659	0	0	2,659
Lodging and Per Diem	OE		2,701	0	0	2,701
Total Legislative Adjustments		**0.0**	**55,944**	**0**	**0**	**55,944**
Agency Adjustments						
Total Agency Adjustments		**0.0**	**0**	**0**	**0**	**0**
FY 2020 Adjusted Budget		**15.0**	**1,371,676**	**0**	**0**	**1,371,676**

FY 2021 Base	FTE	General	Federal	Other	Total
Agency Request	8.0	**860,934**	**0**	**0**	**860,934**
Governor's Recommendation	*8.0*	*860,934*	*0*	*0*	*860,934*

FY 2021 Maintenance of Current Operations	FTE	General	Federal	Other	Total
Agency Request	8.0	**860,934**	**0**	**0**	**860,934**
Governor's Recommendation	*8.0*	*860,934*	*0*	*0*	*860,934*

FY 2021 Total	FTE	General	Federal	Other	Total
Agency Request	8.0	**860,934**	**0**	**0**	**860,934**
Governor's Recommendation	*8.0*	*860,934*	*0*	*0*	*860,934*

	FTE	General	Federal	Other	Total
Agency Request					
Change from Original Appropriation	0.0	0	0	0	0
% Change from Original Appropriation	0.0%	0.0%	0.0%	0.0%	0.0%
Governor's Recommendation					
Change from Original Appropriation	*0.0*	*0*	*0*	*0*	*0*
% Change from Original Appropriation	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

REVENUES AND STATISTICS: PROPERTY TAXES (0240)

Performance Indicators	Actual FY 2018	Actual FY 2019	Estimated FY 2020	Estimated FY 2021
Levies Approved	4,091	4,140	4,100	4,100
Tax Increment Finance Districts	185	184	184	184
Assessors Certified/Attendance Annual School	201 / 127	195 / 128	200 / 130	200 / 130
Centrally Assessed Companies	148	144	145	145
Property Transfers Analyzed	40,082	40,393	40,300	40,300

AUDITS (0250)

To detect and resolve reporting errors and omissions made by taxpayers and correct reporting habits 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
- International Fuel Tax Agreement (IFTA)
- International Registration Plan (IRP)
- Bank 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.

BUDGET REQUEST: AUDITS (0250)

	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2021 Agency Request	FY 2021 Governors Recommended	Change From FY 2020
BY PROGRAM						
Audits	4,186,108	4,175,317	4,808,513	4,808,513	4,808,513	0
Total	**4,186,108**	**4,175,317**	**4,808,513**	**4,808,513**	**4,808,513**	**0**
BY FUND CATEGORY						
General	0	0	0	0	0	0
Federal	0	0	0	0	0	0
Other	4,186,108	4,175,317	4,808,513	4,808,513	4,808,513	0
Total	**4,186,108**	**4,175,317**	**4,808,513**	**4,808,513**	**4,808,513**	**0**
BY OBJECT EXPENDITURE						
Personnel Costs	**3,683,930**	**3,608,183**	**4,137,627**	**4,137,627**	**4,137,627**	**0**
Salaries	2,807,756	2,769,056	3,111,962	3,111,962	3,111,962	0
Benefits	876,174	839,127	1,025,665	1,025,665	1,025,665	0
Operating Expenditures	**502,178**	**567,134**	**670,886**	**670,886**	**670,886**	**0**
Travel	223,667	197,453	418,766	418,766	418,766	0
Contractual Services	237,172	309,061	198,154	198,154	198,154	0
Supplies and Materials	16,023	18,064	25,236	25,236	25,236	0
Grants and Subsidies	0	0	0	0	0	0
Capital Outlay	25,316	42,556	28,730	28,730	28,730	0
Other	0	0	0	0	0	0
Total	**4,186,108**	**4,175,317**	**4,808,513**	**4,808,513**	**4,808,513**	**0**
Full-Time Equivalent (FTE)	**52.6**	**53.2**	**57.0**	**57.0**	**57.0**	**0.0**

FUNDING Sources (Agency Recommended)	General	Federal	Other	%General	%Federal	%Other
SALES & USE TAX COLLECTION FUN	0	0	4,279,577	0.0%	0.0%	100.0%
STATE MOTOR VEHICLE FUND	0	0	528,936	0.0%	0.0%	100.0%

MAJOR ITEMS SUMMARY: AUDITS (0250)

	Agency Request					*Governor's Recommendation*				
	General	Federal	Other	Total	FTE	*General*	*Federal*	*Other*	*Total*	*FTE*
FY 2021 Base Budget	**0**	**0**	**4,808,513**	**4,808,513**	**57.0**	***0***	***0***	***4,808,513***	***4,808,513***	***57.0***
Maintenance of Current Operations										
Total Maintenance Adjustments	**0**	**0**	**0**	**0**	**0.0**	***0***	***0***	***0***	***0***	***0.0***
FY 2021 Program Maintenance Budget	**0**	**0**	**4,808,513**	**4,808,513**	**57.0**	***0***	***0***	***4,808,513***	***4,808,513***	***57.0***
Program Line Items										
Total Program Line Items	**0**	**0**	**0**	**0**	**0.0**	***0***	***0***	***0***	***0***	***0.0***
FY 2021 Total Budget	**0**	**0**	**4,808,513**	**4,808,513**	**57.0**	***0***	***0***	***4,808,513***	***4,808,513***	***57.0***
Change from Base Budget	0	0	0	0	0.0	*0*	*0*	*0*	*0*	*0.0*
% Change from Base Budget	0.0%	0.0%	0.0%	0.0%	0.0%	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

BUDGET DETAIL: AUDITS (0250)

Prior Year Recap		FTE	General	Federal	Other	Total
FY 2019 Original Budget		**55.0**	**0**	**0**	**4,466,674**	**4,466,674**
Legislative Adjustments						
Prior Year Supplemental Health Insurance	PS		0	0	4,273	4,273
Prior Year Supplemental Health Insurance	OE		0	0	6,496	6,496
Total Legislative Adjustments		**0.0**	**0**	**0**	**10,769**	**10,769**
FY 2019 Adjusted Budget		**55.0**	**0**	**0**	**4,477,443**	**4,477,443**
Reversions						
Prior Year Reversions	PS		0	0	(237,631)	(237,631)
Prior Year Reversions	OE		0	0	(64,495)	(64,495)
Total Reversions		**0.0**	**0**	**0**	**(302,126)**	**(302,126)**
Unutilized FTE		**(1.8)**				
FY 2019 Percent Reverted		3.3%	0	0	(6.8%)	(6.8%)

Current Year Recap		FTE	General	Federal	Other	Total
FY 2020 Original Budget		**57.0**	**0**	**0**	**4,596,729**	**4,596,729**
Legislative Adjustments						
Salary Policy	PS		0	0	89,875	89,875

Current Year Recap		FTE	General	Federal	Other	Total
Health Insurance	PS		0	0	84,512	84,512
Adjust Minimums	PS		0	0	10,244	10,244
Salary Policy	OE		0	0	2,009	2,009
Health Insurance	OE		0	0	1,514	1,514
Bureau Billings	OE		0	0	8,661	8,661
Lodging and Per Diem	OE		0	0	14,969	14,969
Total Legislative Adjustments		**0.0**	**0**	**0**	**211,784**	**211,784**
FY 2020 Adjusted Budget		**57.0**	**0**	**0**	**4,808,513**	**4,808,513**

FY 2021 Base	FTE	General	Federal	Other	Total
Agency Request	57.0	**0**	**0**	**4,808,513**	**4,808,513**
Governor's Recommendation	*57.0*	*0*	*0*	*4,808,513*	*4,808,513*

FY 2021 Maintenance of Current Operations	FTE	General	Federal	Other	Total
Agency Request	57.0	**0**	**0**	**4,808,513**	**4,808,513**
Governor's Recommendation	*57.0*	*0*	*0*	*4,808,513*	*4,808,513*

FY 2021 Total	FTE	General	Federal	Other	Total
Agency Request	57.0	**0**	**0**	**4,808,513**	**4,808,513**
Governor's Recommendation	*57.0*	*0*	*0*	*4,808,513*	*4,808,513*

	FTE	General	Federal	Other	Total
Agency Request					
Change from Original Appropriation	0.0	0	0	0	0
% Change from Original Appropriation	0.0%	0.0%	0.0%	0.0%	0.0%
Governor's Recommendation					
Change from Original Appropriation	*0.0*	*0*	*0*	*0*	*0*
% Change from Original Appropriation	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

REVENUES AND STATISTICS: AUDITS (0250)

Revenues	Actual FY 2018	Actual FY 2019	Estimated FY 2020	Estimated FY 2021
Audit Payments: *	0	0	0	0
Sales/Use & Excise Tax Payments	17,822,453	16,047,617	17,000,000	17,000,000
IFTA, Motor Fuel, Prorate Payments	397,140	466,084	50,000	50,000

Performance Indicators	Actual FY 2018	Actual FY 2019	Estimated FY 2020	Estimated FY 2021
Number of Certificate of Assessments: *				
IFTA, Motor Fuel, Prorate Audts	89	96	100	100
Bank Franchise Audits	0	5	30	30

INSTANT AND ON-LINE OPERATIONS - INFORMATIONAL (0281)

To work cooperatively with our 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.

BUDGET REQUEST: INSTANT AND ON-LINE OPERATIONS - INFORMATIONAL (0281)

	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2021 Agency Request	FY 2021 Governors Recommended	Change From FY 2020
BY PROGRAM						
Instant and On-line Operations - Info	43,276,358	46,225,738	38,530,766	38,530,766	38,530,766	0
Total	**43,276,358**	**46,225,738**	**38,530,766**	**38,530,766**	**38,530,766**	**0**
BY FUND CATEGORY						
General	0	0	0	0	0	0
Federal	0	0	0	0	0	0
Other	43,276,358	46,225,738	38,530,766	38,530,766	38,530,766	0
Total	**43,276,358**	**46,225,738**	**38,530,766**	**38,530,766**	**38,530,766**	**0**
BY OBJECT EXPENDITURE						
Personnel Costs	**1,157,615**	**1,191,094**	**1,548,804**	**1,548,804**	**1,548,804**	**0**
Salaries	870,625	905,912	1,179,333	1,179,333	1,179,333	0
Benefits	286,990	285,182	369,471	369,471	369,471	0
Operating Expenditures	**42,118,743**	**45,034,643**	**36,981,962**	**36,981,962**	**36,981,962**	**0**
Travel	128,656	140,487	181,982	181,982	181,982	0
Contractual Services	41,203,632	44,029,999	35,951,980	35,951,980	35,951,980	0
Supplies and Materials	693,818	770,136	729,000	729,000	729,000	0
Grants and Subsidies	0	0	0	0	0	0
Capital Outlay	20,919	10,704	40,000	40,000	40,000	0
Other	71,718	83,318	79,000	79,000	79,000	0
Total	**43,276,358**	**46,225,738**	**38,530,766**	**38,530,766**	**38,530,766**	**0**
Full-Time Equivalent (FTE)	**18.3**	**18.9**	**21.0**	**21.0**	**21.0**	**0.0**

FUNDING Sources (Agency Recommended)	**General**	**Federal**	**Other**	**%General**	**%Federal**	**%Other**
LOTTERY OPERATING FUNDS	0	0	38,530,766	0.0%	0.0%	100.0%

MAJOR ITEMS SUMMARY: INSTANT AND ON-LINE OPERATIONS - INFORMATIONAL (0281)

	Agency Request					*Governor's Recommendation*				
	General	Federal	Other	Total	FTE	*General*	*Federal*	*Other*	*Total*	*FTE*
FY 2021 Base Budget	**0**	**0**	**38,530,766**	**38,530,766**	**21.0**	***0***	***0***	***38,530,766***	***38,530,766***	***21.0***
Maintenance of Current Operations										
Total Maintenance Adjustments	**0**	**0**	**0**	**0**	**0.0**	***0***	***0***	***0***	***0***	***0.0***
FY 2021 Program Maintenance Budget	**0**	**0**	**38,530,766**	**38,530,766**	**21.0**	***0***	***0***	***38,530,766***	***38,530,766***	***21.0***
Program Line Items										
Total Program Line Items	**0**	**0**	**0**	**0**	**0.0**	***0***	***0***	***0***	***0***	***0.0***
FY 2021 Total Budget	**0**	**0**	**38,530,766**	**38,530,766**	**21.0**	***0***	***0***	***38,530,766***	***38,530,766***	***21.0***
Change from Base Budget	0	0	0	0	0.0	*0*	*0*	*0*	*0*	*0.0*
% Change from Base Budget	0.0%	0.0%	0.0%	0.0%	0.0%	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

BUDGET DETAIL: INSTANT AND ON-LINE OPERATIONS - INFORMATIONAL (0281)

Prior Year Recap		**FTE**	**General**	**Federal**	**Other**	**Total**
FY 2019 Original Budget		**21.0**	**0**	**0**	**38,423,665**	**38,423,665**
Legislative Adjustments						
Prior Year Supplemental Health Insurance	PS		0	0	1,548	1,548
Prior Year Supplemental Health Insurance	OE		0	0	16,640	16,640
Total Legislative Adjustments		**0.0**	**0**	**0**	**18,188**	**18,188**
Agency Adjustments						
Total Agency Adjustments		**0.0**	**0**	**0**	**0**	**0**
FY 2019 Adjusted Budget		**21.0**	**0**	**0**	**38,441,853**	**38,441,853**
Reversions						
Prior Year Reversions	PS		0	0	(293,056)	(293,056)
Prior Year Reversions	OE		0	0	8,076,940	8,076,940
Total Reversions		**0.0**	**0**	**0**	**7,783,884**	**7,783,884**
Unutilized FTE		**(2.1)**				
FY 2019 Percent Reverted		9.9%	0	0	20.3%	20.3%

Current Year Recap		FTE	General	Federal	Other	Total
FY 2020 Original Budget		**21.0**	**0**	**0**	**38,423,665**	**38,423,665**
Legislative Adjustments						
Salary Policy	PS		0	0	32,744	32,744
Health Insurance	PS		0	0	29,531	29,531
Adjust Minimums	PS		0	0	3,927	3,927
Salary Policy	OE		0	0	1,907	1,907
Health Insurance	OE		0	0	3,694	3,694
Bureau Billings	OE		0	0	22,187	22,187
Lodging and Per Diem	OE		0	0	13,111	13,111
Total Legislative Adjustments		**0.0**	**0**	**0**	**107,101**	**107,101**
Agency Adjustments						
Total Agency Adjustments		**0.0**	**0**	**0**	**0**	**0**
FY 2020 Adjusted Budget		**21.0**	**0**	**0**	**38,530,766**	**38,530,766**

FY 2021 Base	FTE	General	Federal	Other	Total
Agency Request	21.0	**0**	**0**	**38,530,766**	**38,530,766**
Governor's Recommendation	*21.0*	*0*	*0*	*38,530,766*	*38,530,766*

FY 2021 Maintenance of Current Operations	FTE	General	Federal	Other	Total
Agency Request	21.0	**0**	**0**	**38,530,766**	**38,530,766**
Governor's Recommendation	*21.0*	*0*	*0*	*38,530,766*	*38,530,766*

FY 2021 Total	FTE	General	Federal	Other	Total
Agency Request	21.0	**0**	**0**	**38,530,766**	**38,530,766**
Governor's Recommendation	*21.0*	*0*	*0*	*38,530,766*	*38,530,766*

	FTE	General	Federal	Other	Total
Agency Request					
Change from Original Appropriation	0.0	0	0	0	0
% Change from Original Appropriation	0.0%	0.0%	0.0%	0.0%	0.0%
Governor's Recommendation					
Change from Original Appropriation	*0.0*	*0*	*0*	*0*	*0*
% Change from Original Appropriation	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

REVENUES AND STATISTICS: INSTANT AND ON-LINE OPERATIONS - INFORMATIONAL (0281)

Revenues	Actual FY 2018	Actual FY 2019	Estimated FY 2020	Estimated FY 2021
Instant Proceeds-General Fund	6,240,567	7,899,685	6,736,813	7,932,000
On-Line Proceeds-General Fund	1,400,000	1,800,000	2,539,001	2,625,000
On-Line Proceeds-Capital Construction Fund	6,844,532	6,795,339	3,960,999	3,875,000

Performance Indicators	Actual FY 2018	Actual FY 2019	Estimated FY 2020	Estimated FY 2021
Instant Games Introduced	28	29	30	30
On-Line Games Offered	5	5	5	5
Licensed Lottery Retailers-On-Line	636	616	620	620
Licensed Lottery Retailers-Instant Only	13	13	13	13
Prizes Paid to Players	$33,543,333	$35,474,790	$37,446,815	$38,779,457
Retailer Commissions Paid	$3,108,189	$3,377,439	$3,451,619	$3,574,454
Total Sales-Instant Games	$30,139,413	$32,226,644	$33,837,976	$35,529,875
Total Sales-On-Line Games	$27,821,057	$30,673,451	$31,286,920	$31,912,658
Total Sales (Instant + On-Line)	$57,960,470	$62,900,095	$65,124,896	$67,442,533

VIDEO LOTTERY (0282)

To work cooperatively with our 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.

BUDGET REQUEST: VIDEO LOTTERY (0282)

	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2021 Agency Request	FY 2021 Governors Recommended	Change From FY 2020
BY PROGRAM						
Video Lottery	2,179,418	2,142,710	2,721,185	2,721,185	2,721,185	0
Total	**2,179,418**	**2,142,710**	**2,721,185**	**2,721,185**	**2,721,185**	**0**
BY FUND CATEGORY						
General	0	0	0	0	0	0
Federal	0	0	0	0	0	0
Other	2,179,418	2,142,710	2,721,185	2,721,185	2,721,185	0
Total	**2,179,418**	**2,142,710**	**2,721,185**	**2,721,185**	**2,721,185**	**0**
BY OBJECT EXPENDITURE						
Personnel Costs	**688,118**	**649,698**	**773,420**	**773,420**	**773,420**	**0**
Salaries	522,447	498,836	594,964	594,964	594,964	0
Benefits	165,671	150,862	178,456	178,456	178,456	0
Operating Expenditures	**1,491,300**	**1,493,012**	**1,947,765**	**1,947,765**	**1,947,765**	**0**
Travel	10,571	9,699	17,941	17,941	17,941	0
Contractual Services	1,283,123	1,257,422	1,506,208	1,506,208	1,506,208	0
Supplies and Materials	13,530	11,297	29,616	29,616	29,616	0
Grants and Subsidies	0	0	0	0	0	0
Capital Outlay	2,748	594	180,000	180,000	180,000	0
Other	181,329	214,000	214,000	214,000	214,000	0
Total	**2,179,419**	**2,142,710**	**2,721,185**	**2,721,185**	**2,721,185**	**0**
Full-Time Equivalent (FTE)	**10.3**	**9.8**	**10.0**	**10.0**	**10.0**	**0.0**

FUNDING Sources (Agency Recommended)	**General**	**Federal**	**Other**	**%General**	**%Federal**	**%Other**
LOTTERY OPERATING FUNDS	0	0	2,721,185	0.0%	0.0%	100.0%

MAJOR ITEMS SUMMARY: VIDEO LOTTERY (0282)

	Agency Request					*Governor's Recommendation*				
	General	Federal	Other	Total	FTE	*General*	*Federal*	*Other*	*Total*	*FTE*
FY 2021 Base Budget	**0**	**0**	**2,721,185**	**2,721,185**	**10.0**	***0***	***0***	***2,721,185***	***2,721,185***	***10.0***
Maintenance of Current Operations										
Total Maintenance Adjustments	**0**	**0**	**0**	**0**	**0.0**	***0***	***0***	***0***	***0***	***0.0***
FY 2021 Program Maintenance Budget	**0**	**0**	**2,721,185**	**2,721,185**	**10.0**	***0***	***0***	***2,721,185***	***2,721,185***	***10.0***
Program Line Items										
Total Program Line Items	**0**	**0**	**0**	**0**	**0.0**	***0***	***0***	***0***	***0***	***0.0***
FY 2021 Total Budget	**0**	**0**	**2,721,185**	**2,721,185**	**10.0**	***0***	***0***	***2,721,185***	***2,721,185***	***10.0***
Change from Base Budget	0	0	0	0	0.0	*0*	*0*	*0*	*0*	*0.0*
% Change from Base Budget	0.0%	0.0%	0.0%	0.0%	0.0%	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

BUDGET DETAIL: VIDEO LOTTERY (0282)

Prior Year Recap		**FTE**	**General**	**Federal**	**Other**	**Total**
FY 2019 Original Budget		**10.0**	**0**	**0**	**2,682,351**	**2,682,351**
Legislative Adjustments						
Prior Year Supplemental Health Insurance	PS		0	0	823	823
Prior Year Supplemental Health Insurance	OE		0	0	690	690
Total Legislative Adjustments		**0.0**	**0**	**0**	**1,513**	**1,513**
Agency Adjustments						
Total Agency Adjustments		**0.0**	**0**	**0**	**0**	**0**
FY 2019 Adjusted Budget		**10.0**	**0**	**0**	**2,683,864**	**2,683,864**
Reversions						
Prior Year Reversions	PS		0	0	(90,397)	(90,397)
Prior Year Reversions	OE		0	0	(450,757)	(450,757)
Total Reversions		**0.0**	**0**	**0**	**(541,154)**	**(541,154)**
Unutilized FTE		**(0.2)**				
FY 2019 Percent Reverted		2.2%	0	0	(20.2%)	(20.2%)

Current Year Recap		FTE	General	Federal	Other	Total
FY 2020 Original Budget		**10.0**	**0**	**0**	**2,682,351**	**2,682,351**
Legislative Adjustments						
Salary Policy	PS		0	0	16,518	16,518
Health Insurance	PS		0	0	15,703	15,703
Adjust Minimums	PS		0	0	1,927	1,927
Salary Policy	OE		0	0	1,247	1,247
Health Insurance	OE		0	0	1,116	1,116
Bureau Billings	OE		0	0	921	921
Lodging and Per Diem	OE		0	0	1,402	1,402
Total Legislative Adjustments		**0.0**	**0**	**0**	**38,834**	**38,834**
Agency Adjustments						
Total Agency Adjustments		**0.0**	**0**	**0**	**0**	**0**
FY 2020 Adjusted Budget		**10.0**	**0**	**0**	**2,721,185**	**2,721,185**

FY 2021 Base	FTE	General	Federal	Other	Total
Agency Request	10.0	**0**	**0**	**2,721,185**	**2,721,185**
Governor's Recommendation	*10.0*	*0*	*0*	*2,721,185*	*2,721,185*

FY 2021 Maintenance of Current Operations	FTE	General	Federal	Other	Total
Agency Request	10.0	**0**	**0**	**2,721,185**	**2,721,185**
Governor's Recommendation	*10.0*	*0*	*0*	*2,721,185*	*2,721,185*

FY 2021 Total	FTE	General	Federal	Other	Total
Agency Request	10.0	**0**	**0**	**2,721,185**	**2,721,185**
Governor's Recommendation	*10.0*	*0*	*0*	*2,721,185*	*2,721,185*

	FTE	General	Federal	Other	Total
Agency Request					
Change from Original Appropriation	0.0	0	0	0	0
% Change from Original Appropriation	0.0%	0.0%	0.0%	0.0%	0.0%
Governor's Recommendation					
Change from Original Appropriation	*0.0*	*0*	*0*	*0*	*0*
% Change from Original Appropriation	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

REVENUES AND STATISTICS: VIDEO LOTTERY (0282)

Revenues	Actual FY 2018	Actual FY 2019	Estimated FY 2020	Estimated FY 2021
License Fees to VL Operating Fund	1,319,902	1,299,422	1,300,000	1,300,000
Additional Mfg. License Fee-General Fund	60,000	90,000	75,000	75,000
Video Lottery Proceeds	108,974,498	113,963,810	116,243,086	118,567,948
Video Lottery Proceeds-VL Operating Fund	1,103,120	1,151,776	1,174,811	1,198,307
Miscellaneous Revenue	50,000	50,000	50,000	50,000

Performance Indicators	Actual FY 2018	Actual FY 2019	Estimated FY 2020	Estimated FY 2021
Machines Placed (12-Month Avg)	9,108	9,027	9,030	9,030
Licensed Establishments (12-Month Avg)	1,336	1,338	1,340	1,340
Licensed Operators	102	98	100	100
Licensed Distributors	5	6	6	6
Licensed Manufacturers	4	5	5	5

COMMISSION ON GAMING - INFORMATIONAL (0293)

The South Dakota Commission on Gaming is given statutory authority (SDCL 42-7 & 42-7B) 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.

BUDGET REQUEST: COMMISSION ON GAMING - INFORMATIONAL (0293)

	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2021 Agency Request	FY 2021 Governors Recommended	Change From FY 2020
BY PROGRAM						
Commission on Gaming - Info	10,267,152	9,434,051	10,750,477	10,750,477	10,750,477	0
Total	**10,267,152**	**9,434,051**	**10,750,477**	**10,750,477**	**10,750,477**	**0**
BY FUND CATEGORY						
General	0	0	0	0	0	0
Federal	0	0	0	0	0	0
Other	10,267,152	9,434,051	10,750,477	10,750,477	10,750,477	0
Total	**10,267,152**	**9,434,051**	**10,750,477**	**10,750,477**	**10,750,477**	**0**
BY OBJECT EXPENDITURE						
Personnel Costs	**899,381**	**961,795**	**1,132,488**	**1,132,488**	**1,132,488**	**0**
Salaries	682,299	749,657	848,554	848,554	848,554	0
Benefits	217,082	212,138	283,934	283,934	283,934	0
Operating Expenditures	**9,367,771**	**8,472,256**	**9,617,989**	**9,617,989**	**9,617,989**	**0**
Travel	67,738	65,922	82,896	82,896	82,896	0
Contractual Services	365,823	322,112	317,457	317,457	317,457	0
Supplies and Materials	25,624	26,905	36,000	36,000	36,000	0
Grants and Subsidies	8,902,194	8,051,209	9,175,000	9,175,000	9,175,000	0
Capital Outlay	6,393	6,107	6,636	6,636	6,636	0
Other	0	0	0	0	0	0
Total	**10,267,153**	**9,434,050**	**10,750,477**	**10,750,477**	**10,750,477**	**0**
Full-Time Equivalent (FTE)	**13.1**	**13.3**	**16.0**	**16.0**	**16.0**	**0.0**

FUNDING Sources (Agency Recommended)	**General**	**Federal**	**Other**	**%General**	**%Federal**	**%Other**
GAMING & RACING	0	0	10,750,477	0.0%	0.0%	100.0%

MAJOR ITEMS SUMMARY: COMMISSION ON GAMING - INFORMATIONAL (0293)

	Agency Request					*Governor's Recommendation*				
	General	Federal	Other	Total	FTE	*General*	*Federal*	*Other*	*Total*	*FTE*
FY 2021 Base Budget	**0**	**0**	**10,750,477**	**10,750,477**	**16.0**	***0***	***0***	***10,750,477***	***10,750,477***	***16.0***
Maintenance of Current Operations										
Total Maintenance Adjustments	**0**	**0**	**0**	**0**	**0.0**	***0***	***0***	***0***	***0***	***0.0***
FY 2021 Program Maintenance Budget	**0**	**0**	**10,750,477**	**10,750,477**	**16.0**	***0***	***0***	***10,750,477***	***10,750,477***	***16.0***
Program Line Items										
Total Program Line Items	**0**	**0**	**0**	**0**	**0.0**	***0***	***0***	***0***	***0***	***0.0***
FY 2021 Total Budget	**0**	**0**	**10,750,477**	**10,750,477**	**16.0**	***0***	***0***	***10,750,477***	***10,750,477***	***16.0***
Change from Base Budget	0	0	0	0	0.0	*0*	*0*	*0*	*0*	*0.0*
% Change from Base Budget	0.0%	0.0%	0.0%	0.0%	0.0%	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

BUDGET DETAIL: COMMISSION ON GAMING - INFORMATIONAL (0293)

Prior Year Recap		**FTE**	**General**	**Federal**	**Other**	**Total**
FY 2019 Original Budget		**16.0**	**0**	**0**	**10,693,930**	**10,693,930**
Legislative Adjustments						
Prior Year Supplemental Health Insurance	PS		0	0	1,230	1,230
Prior Year Supplemental Health Insurance	OE		0	0	1,970	1,970
Total Legislative Adjustments		**0.0**	**0**	**0**	**3,200**	**3,200**
Agency Adjustments						
Total Agency Adjustments		**0.0**	**0**	**0**	**0**	**0**
FY 2019 Adjusted Budget		**16.0**	**0**	**0**	**10,697,130**	**10,697,130**
Reversions						
Prior Year Reversions	PS		0	0	(122,079)	(122,079)
Prior Year Reversions	OE		0	0	(1,141,000)	(1,141,000)
Total Reversions		**0.0**	**0**	**0**	**(1,263,079)**	**(1,263,079)**
Unutilized FTE		**(2.7)**				
FY 2019 Percent Reverted		16.9%	0	0	(11.8%)	(11.8%)

Current Year Recap		FTE	General	Federal	Other	Total
FY 2020 Original Budget		**16.0**	**0**	**0**	**10,693,930**	**10,693,930**
Legislative Adjustments						
Salary Policy	PS		0	0	23,559	23,559
Health Insurance	PS		0	0	23,451	23,451
Adjust Minimums	PS		0	0	2,834	2,834
Salary Policy	OE		0	0	757	757
Health Insurance	OE		0	0	573	573
Bureau Billings	OE		0	0	2,626	2,626
Lodging and Per Diem	OE		0	0	2,747	2,747
Total Legislative Adjustments		**0.0**	**0**	**0**	**56,547**	**56,547**
Agency Adjustments						
Total Agency Adjustments		**0.0**	**0**	**0**	**0**	**0**
FY 2020 Adjusted Budget		**16.0**	**0**	**0**	**10,750,477**	**10,750,477**

FY 2021 Base	FTE	General	Federal	Other	Total
Agency Request	16.0	**0**	**0**	**10,750,477**	**10,750,477**
Governor's Recommendation	*16.0*	*0*	*0*	*10,750,477*	*10,750,477*

FY 2021 Maintenance of Current Operations	FTE	General	Federal	Other	Total
Agency Request	16.0	**0**	**0**	**10,750,477**	**10,750,477**
Governor's Recommendation	*16.0*	*0*	*0*	*10,750,477*	*10,750,477*

FY 2021 Total	FTE	General	Federal	Other	Total
Agency Request	16.0	**0**	**0**	**10,750,477**	**10,750,477**
Governor's Recommendation	*16.0*	*0*	*0*	*10,750,477*	*10,750,477*

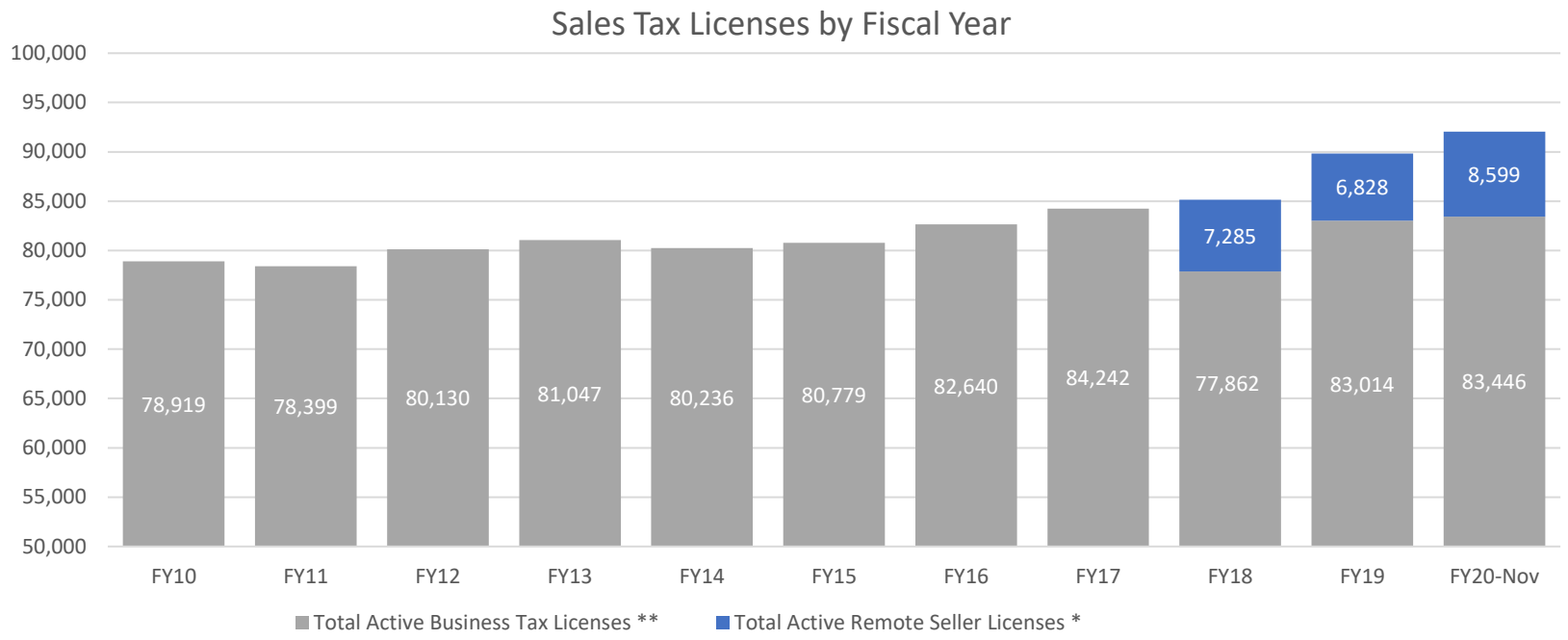
	FTE	General	Federal	Other	Total
Agency Request					
Change from Original Appropriation	0.0	0	0	0	0
% Change from Original Appropriation	0.0%	0.0%	0.0%	0.0%	0.0%
Governor's Recommendation					
Change from Original Appropriation	*0.0*	*0*	*0*	*0*	*0*
% Change from Original Appropriation	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

REVENUES AND STATISTICS: COMMISSION ON GAMING - INFORMATIONAL (0293)

Revenues	Actual FY 2018	Actual FY 2019	Estimated FY 2020	Estimated FY 2021
Gaming Fund:	0	0	0	0
Racing Revenues:	0	0	0	0
Dogs:	0	0	0	0
Commission	9,895	11,888	5,500	5,500
Licenses & Fees	3,550	3,270	3,640	3,640
Revolving Fund	21,591	13,063	6,500	6,500
Bred Fund	12,819	12,182	6,000	6,000
Horses:	0	0	0	0
Commission	31,224	30,324	15,000	15,000
Licenses & Fees	19,045	4,845	3,640	3,640
Revolving Fund	61,704	31,661	15,000	15,000
Device Fees	6,180,000	5,694,000	5,626,000	5,626,000
Bred Fund	39,675	30,604	15,000	15,000
Interest	4,523	3,913	3,000	3,000
Gross Revenue Tax	9,121,794	8,994,462	9,175,000	9,175,000
City Slot Tax	401,500	437,500	437,500	437,500
Application Fees	58,571	49,845	60,000	60,000
License Fees	94,105	86,701	90,000	90,000
Device Testing Fees	16,307	14,805	15,000	15,000
Penalties	75,780	3,370	2,000	2,000
Interest	18,021	17,526	18,000	18,000

Performance Indicators	Actual FY 2018	Actual FY 2019	Estimated FY 2020	Estimated FY 2021
Licenses Issued:				
Manufacturers / Distributors	16	19	21	21
Operators / Retailers	23 / 131	22 / 128	22 / 128	22 / 128
Support / Key Employees	1,384	1,346	1,346	1,346
Device Licenses	3,090	2,847	2,813	2,813
Gaming Distributions	$14,597,511	13,815,957	$14,000,000	$14,000,000

Sales Tax Licenses by Fiscal Year

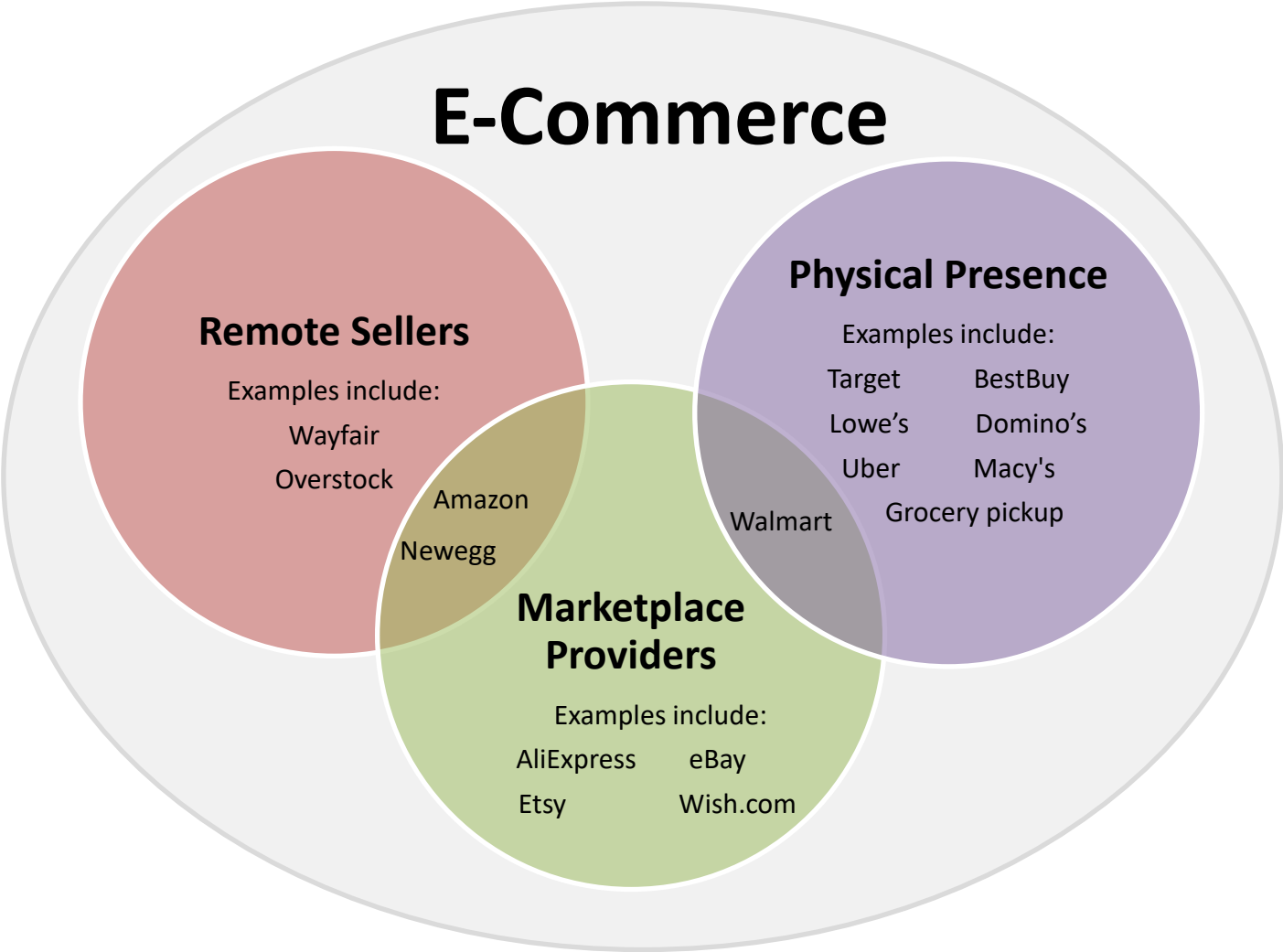


*Includes marketplace provider licenses

** Includes all business tax license types prior to FY17. FY18 forward excludes remote sellers and marketplace provider licenses.

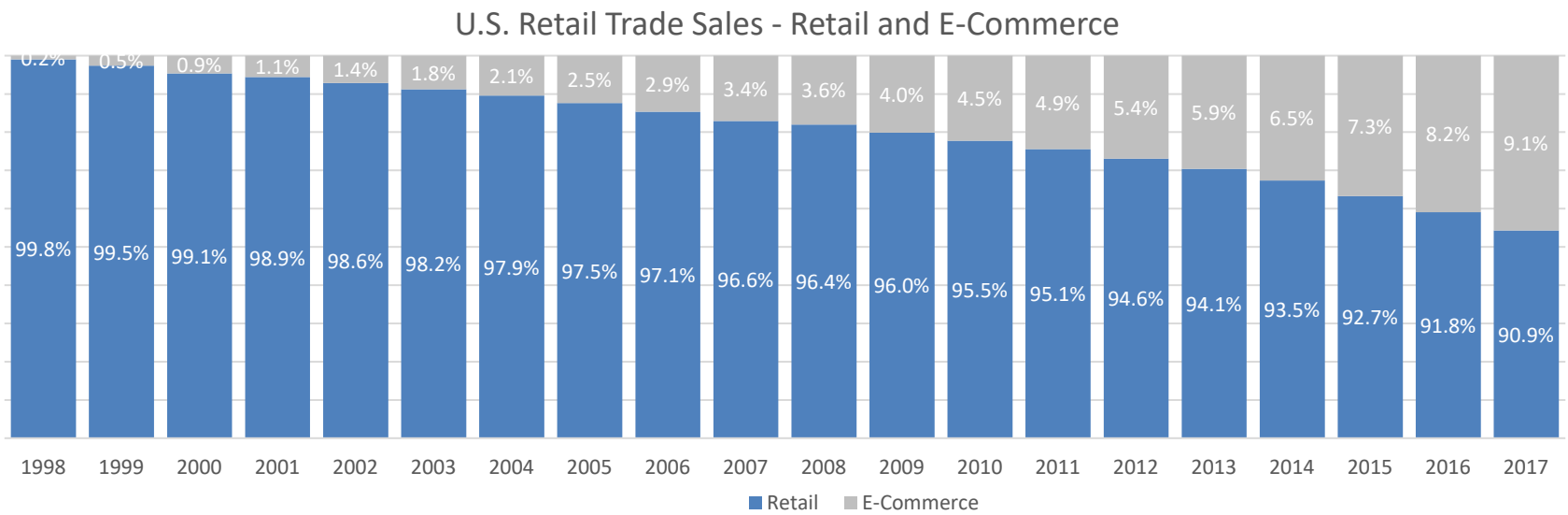
Licenses counted as remote sellers have been refined as the Department of Revenue continues to monitor business registrants. A large part of that work was completed at the beginning of 2019 causing a decrease in businesses categorized as remote sellers. In addition, there were a number of out of state businesses that registered for a tax license prior to the Supreme Court ruling and later determined they did not need a South Dakota tax license. Businesses will continually move between remote seller and non-remote seller categories depending on their individual business activity.

E-Commerce



The U.S. Annual Retail Trade Survey defines E-Commerce as:

"Sales of goods and services where the buyer places an order, or the price and terms of the sale are negotiated, over an Internet, mobile device (M-commerce), extranet, Electronic Data Interchange (EDI) network, electronic mail, or other comparable online system. Payment may or may not be made online."



Note: Based on data from the U.S. Census Bureau, Annual Retail Trade Survey.
Note: E-commerce sales are sales of goods and services where the buyer places an order, or the price and terms of the sale are negotiated, over an Internet, mobile device (M-commerce), extranet, Electronic Data Interchange (EDI) network, electronic mail, or other comparable online system. Payment may or may not be made online.

Table 1. Sales Tax Collections from Remote Sellers and Marketplaces by Calendar Year

South Dakota Actual Remote Seller & Marketplace Sales Tax Revenue by Calendar Year				
	2016	2017	2018	2019
Sales Tax Collected	$ 49,945,710	$ 56,387,513	$ 63,655,771	$ 81,167,225
Dollar Change		$ 6,441,803	$ 7,268,258	$ 17,511,454
Percent Change		12.9%	12.9%	27.5%

Note: Sales tax collections have not been adjusted for the one-month lag in reporting.
**Marketplaces first began remitting sales tax in March 2019.
Source: Department of Revenue: state sales tax reported by remote sellers.

Historical Budget Changes

	General	Federal	Other	Total	FTE
FY 2018 Budget					
Line Items					
* 1. Motor Vehicle Title and Odometer Fraud FTEs	0	0	0	0	1.0
* 2. Fuel Taxation Computer Services	0	300,000	0	300,000	0.0
* Personal Services Rightsizing	0	0	(226,666)	(226,666)	0.0
* Operating Expenses Rightsizing	0	0	0	0	0.0
FY 2019 Budget					
Line Items					
* Accountant II Position FTE	0	0	65,300	65,300	1.0
* Auditor Positions	0	0	0	0	0.0
FY 2020 Budget					
Line Items					
* E-commerce Revenue Agents	0	0	107,086	107,086	2.0
* Delinquent Returns and Taxes Revenue Agent	0	0	0	0	0.0
* Auditor FTEs	0	0	130,055	130,055	2.0