

Highway and Bridge Finance Options

(November 6, 2014)

Revenue Source	Current Rate	Current Revenue	Rate of Change (Increase)	Additional Revenue
Motor Fuel User Fee (Gasoline & Others)	\$0.22	\$131,200,000	\$.01 per gallon	\$6,600,000
Index Motor Fuel User Fee (if rate passed in 1999 had been indexed)	\$0.22	\$131,200,000	Average CPI (2.4% since 2000, which converts to a 9¢ increase)	\$59,400,000
Wholesale Tax on Motor Fuel	NA	NA	1% Tax on Motor Fuel	\$16,600,000
Ethyl Alcohol and Methyl Alcohol	\$0.08	\$3,000,000	\$.14 per gallon (Tax Ethyl Alcohol and Methyl Alcohol at same rate as Motor Fuel)	\$5,200,000
Motor Fuel User Fee (Dyed Special Fuel)	NA	NA	\$.01 per gallon	\$1,300,000
Sales Tax on Motor Fuel Used for Ag Purposes	NA	NA	1% Tax on Motor Fuel Used for Ag Purposes	\$4,300,000
Motor Vehicle Excise Tax	3%	\$75,800,000	1% Increase in the Excise Tax	\$25,300,000
Registration Fees (License Plates)	Vary	\$86,594,367	10% Increase Across the Board	\$8,700,000
Increase Registration Fees for Noncommercial Motor Vehicles	Vary	\$12,200,000	Require 12 Month Registration, No Seasonal	\$4,300,000
			Charge the Commercial Rate, Seasonal Registration Permitted	\$14,300,000
Commercial Motor Vehicles	Vary	\$13,000,000	Require 12 Month Registration, No Seasonal	\$2,800,000
Wheel Tax (Max. of \$4 per Wheel not to Exceed 4 Wheels)	Vary	\$12,400,000	Mandate the Wheel Tax	\$7,700,000
			Increase the Rate per Wheel by \$1.00 (If Applied in All Counties)	\$5,000,000
			Apply to More Wheels (Untaxed Wheels)	\$400,000
Remove Property Tax Budget Limitations (County)	Vary	\$309,000,000	\$.10 per \$1,000 Property Tax Levy	\$7,600,000
Property Tax for Roads (County - \$1.00 ^)	Vary		Allow to increase \$1 per \$1,000	\$76,000,000
Remove Property Tax Budget Limitations (Township)	Vary	\$19,300,000	Each \$.10 per \$1,000 Taxes	\$2,650,000
Property Tax for Roads (Township - \$1.00 ^)	Vary		Allow to increase \$1 per \$1,000	\$26,500,000

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Revenue Source	Current Rate	Current Revenue	Rate of Change (Increase)	Additional Revenue
Real Estate Transfer Fee	50¢ per \$500	\$3,500,000	Increase 10¢ per \$500	\$700,000
Increase the Sales and Use Tax and Dedicate Increased Revenue	4.0%	\$820,000,000	Each Tenth Percent Increase	\$20,500,000
Dedicate a Portion of Contractor's Excise Tax	2.0%	\$90,000,000	1% of Current Revenue (would be a Transfer from General Fund to Highway Fund)	\$900,000
Tourism Tax	1.5%	\$8,800,000	.5% Increase in the Tourism Tax	\$3,000,000
Fee for Hybrid and Electric Vehicles	NA	NA	Hybrid (4,375 est.*\$40 per vehicle) and Electric (203 est.*\$80 per vehicle)	\$190,000
Tank Inspection Fee - Redirect More Money to the Highway Fund	2%	\$16,600,000	Dedicate 50% of Revenue to Roads (Currently, the Balance Remaining is Transferred to the State Highway Fund)	\$4,500,000
Fee on Hunting Licenses - for Road Access	Vary		\$1 surcharge for 80,000 nonresident small game; 25,000 resident small game; and 45,000 combination	\$150,000
Fee on Fishing Licenses - for Road Access	Vary		\$1 surcharge for 22,000 nonresident annual; 65,000 resident annual; 45,000 nonresident 1-3 day; 8,000 nonresident family	\$140,000
Tax certain Natural Resources - Gravel/Sand	\$100 license fee	NA	\$.10 per ton	\$2,000,000
Dedicate Fines on Motor Vehicle Fines to Roads	Vary	\$6,700,000	Money Currently Dedicated to Schools per Art. 8, § 3, SD Constitution	NA
Sales Tax on Certain Agricultural Inputs	None	NA	Fertilizer, Seed, Pesticides, Herbicides	\$17,000,000
Checkoff for Agricultural Commodities (bushels, market value, 100 weight, per head)	Vary		Beef, swine, sheep, turkeys, eggs, milk, corn, soybeans, wheat, sunflowers, safflowers, canola, flax	NA