

South Dakota Sales Tax Info Sheet

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State Sales Tax

Local Sales

South Dakota has a statewide sales tax rate of **4.2%**, which was introduced in 1933. This data sheet was last updated in February 2024 by SalesTaxHandbook.com.

What is exempt from sales taxes in South Dakota?

Many states have special sales tax rates that apply to the purchase of certain types of goods, or fully exempt them from the sales tax altogether. Here's how South Dakota taxes five types of commonly-exempted goods:

Clothing



4.2%

Groceries



4.2%

Prepared Food



4.2%

Prescription Drugs



4.2%

OTC Drugs



4.2%

Are services subject to sales tax in South Dakota?

"Goods" refers to the sale of tangible personal property, which are generally taxable. "Services" refers to the sale of labor or non-tangibles. In South Dakota, services are taxable unless specifically exempted. To learn more, see salestaxhandbook.com/south-dakota/sales-tax-taxability#services.

Local Sales Taxes in South Dakota

Municipal governments in South Dakota are also allowed to collect a **local-option sales tax** that ranges from 0% to 6.2% across the state, with an average local tax of 1.8% (for a total of 6% when combined with the state sales tax). The maximum local tax rate allowed by South Dakota law is 6%. Below are listed local sales tax rates for the five largest cities in South Dakota. You can find other South Dakota city and county sales tax rates at salestaxhandbook.com/south-dakota/rates.

City Name	State Rate	County Rate	City Rate	Special Rate	Combined Rate
Sioux Falls, SD	4.2%	N/A	2%	N/A	6.2%
Rapid City, SD	4.2%	N/A	2%	N/A	6.2%
Rapid City, SD	4.2%	N/A	2%	N/A	6.2%
Aberdeen, SD	4.2%	N/A	2%	N/A	6.2%
Watertown, SD	4.2%	N/A	2%	N/A	6.2%

To learn more, visit the South Dakota Sales Tax Handbook at SalesTaxHandbook.com/SouthDakota