

# REVENUE

## 02 REVENUE

### Mission:

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.

LEGAL CITATION: SDCL 10-1; SDCL 32; SDCL 42-7A; SDCL 47-7B.

	ACTUAL FY 2015	ACTUAL FY 2016	BUDGETED FY 2017	REQUESTED FY 2018	GOVERNOR'S RECOMMENDED FY 2018	RECOMMENDED INC/(DEC) FY 2018
<b>FUNDING SOURCE:</b>						
General Funds	\$ 1,149,303	\$ 1,158,933	\$ 1,301,766	\$ 1,301,766	\$ 1,301,766	\$ 0
Federal Funds	0	22,800	0	300,000	300,000	300,000
Other Funds	67,515,252	77,144,245	73,595,355	73,765,326	73,648,233	52,878
Total	<u>\$ 68,664,555</u>	<u>\$ 78,325,979</u>	<u>\$ 74,897,121</u>	<u>\$ 75,367,092</u>	<u>\$ 75,249,999</u>	<u>\$ 352,878</u>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 14,474,290	\$ 14,381,378	\$ 16,558,296	\$ 16,718,255	\$ 16,606,918	\$ 48,622
Operating Expenses	54,190,265	63,944,600	58,338,825	58,648,837	58,643,081	304,256
Total	<u>\$ 68,664,555</u>	<u>\$ 78,325,979</u>	<u>\$ 74,897,121</u>	<u>\$ 75,367,092</u>	<u>\$ 75,249,999</u>	<u>\$ 352,878</u>
Staffing Level FTE:	235.7	241.2	248.5	251.5	249.5	1.0

# REVENUE

## 0210 Secretariat

### Mission:

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.

	ACTUAL FY 2015	ACTUAL FY 2016	BUDGETED FY 2017	REQUESTED FY 2018	GOVERNOR'S RECOMMENDED FY 2018	RECOMMENDED INC/(DEC) FY 2018
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	3,398,335	3,765,622	3,801,251	3,801,251	3,801,251	0
<b>Total</b>	<b>\$ 3,398,335</b>	<b>\$ 3,765,622</b>	<b>\$ 3,801,251</b>	<b>\$ 3,801,251</b>	<b>\$ 3,801,251</b>	<b>\$ 0</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 1,852,948	\$ 1,915,447	\$ 2,156,707	\$ 2,156,707	\$ 2,156,707	\$ 0
Operating Expenses	1,545,386	1,850,175	1,644,544	1,644,544	1,644,544	0
<b>Total</b>	<b>\$ 3,398,335</b>	<b>\$ 3,765,622</b>	<b>\$ 3,801,251</b>	<b>\$ 3,801,251</b>	<b>\$ 3,801,251</b>	<b>\$ 0</b>
<b>Staffing Level FTE:</b>	<b>26.5</b>	<b>28.0</b>	<b>28.0</b>	<b>28.0</b>	<b>28.0</b>	<b>0.0</b>

	ACTUAL FY 2015	ACTUAL FY 2016	ESTIMATED FY 2017	ESTIMATED FY 2018
<b>REVENUES</b>				
Sales/Use & CET Electronic Filing Collections	1,105,211,010	1,171,091,160	1,346,000,000	1,387,000,000
Motor Fuel Electronic Filing Collections (1)	169,326,609	218,747,218	219,000,000	219,000,000
Remittance Center Collections:				
Collections-Department of Revenue	410,689,824	402,648,210	400,000,000	400,000,000
Collections-Other State Agencies	197,629,662	195,725,427	196,000,000	196,000,000
<b>Total</b>	<b>1,882,857,105</b>	<b>1,988,212,015</b>	<b>2,161,000,000</b>	<b>2,202,000,000</b>

<b>PERFORMANCE INDICATORS</b>				
Legal Staff:				
Department Cases Opened	389	373	400	400
ISB Investigations	211	225	230	230
Remittance Center:				
Documents Processed-Revenue	293,725	257,813	260,000	260,000
Documents Processed-Other Agencies	46,289	46,298	46,500	46,500
E-Newsletters Audience	60,683	59,997	60,000	60,000
Business Education (Held / Attended):				
Seminars-Contractors' Excise Tax (CET)	11 / 109	13 / 164	12 / 130	12 / 130
Seminars-Sales/Use Tax (SUT)	15 / 224	17 / 176	15 / 200	15 / 200
Seminars-Border States CET	3 / 33	3 / 33	4 / 40	4 / 40
Seminars-Border States SUT	4 / 72	2 / 20	4 / 40	4 / 40
Presentations-Special Interest Groups	26 / 786	30 / 995	25 / 800	25 / 800

# REVENUE

## 0220 Business Tax

### Mission:

To process sales, use, and contractors' 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.

	ACTUAL FY 2015	ACTUAL FY 2016	BUDGETED FY 2017	REQUESTED FY 2018	GOVERNOR'S RECOMMENDED FY 2018	RECOMMENDED INC/(DEC) FY 2018
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	4,094,212	4,010,656	4,585,044	4,585,044	4,585,044	0
<b>Total</b>	<b>\$ 4,094,212</b>	<b>\$ 4,010,656</b>	<b>\$ 4,585,044</b>	<b>\$ 4,585,044</b>	<b>\$ 4,585,044</b>	<b>\$ 0</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 3,220,263	\$ 3,164,637	\$ 3,694,040	\$ 3,694,040	\$ 3,694,040	\$ 0
Operating Expenses	873,949	846,019	891,004	891,004	891,004	0
<b>Total</b>	<b>\$ 4,094,212</b>	<b>\$ 4,010,656</b>	<b>\$ 4,585,044</b>	<b>\$ 4,585,044</b>	<b>\$ 4,585,044</b>	<b>\$ 0</b>
Staffing Level FTE:	55.5	54.8	57.5	57.5	57.5	0.0

	ACTUAL FY 2015	ACTUAL FY 2016	ESTIMATED FY 2017	ESTIMATED FY 2018
<b>REVENUES</b>				
Collections-Other State Agencies	27,765,081	29,006,219	29,586,343	30,178,070
Collections-Department of Revenue:				
Contractors' Excise Tax	100,116,439	101,496,551	109,400,000	110,500,000
Streamlined Sales Tax Collections (1)	2,721,985	2,898,647	2,950,000	3,009,000
Telecom Excise Tax	10,726,035	9,901,347	8,915,000	8,233,000
Municipal / Tribal Taxes	362,807,535	377,190,116	384,733,918	392,428,596
<b>Total</b>	<b>504,137,075</b>	<b>520,492,880</b>	<b>535,585,261</b>	<b>544,348,666</b>

(1) Revenues from Streamlined Sales Tax Collections (voluntary sellers) are no longer deposited into the tax relief fund, as this fund was repealed. Effective 07/01/2015, these tax collections will be deposited directly in the state's general fund.

### PERFORMANCE INDICATORS

Total Taxing Entities	264	267	267	267
Total Active Licenses	80,779	82,640	82,750	82,750
Delinquent/Out-of-Balance Notices	145,565	146,938	147,000	147,000
Licensee Reviews *	237	262	250	250
Balance Active Accounts Receivable (July 1)	\$5,724,458	\$6,181,633	\$6,000,000	\$6,000,000
Returns Processed-Paper	259,588	232,677	220,000	220,000
Returns Processed-Electronic	271,485	303,375	315,000	315,000
Returns Reviewed/Violated	27,204	29,716	29,000	28,000
Phone Bank Calls (1-800)	28,693	29,262	30,000	30,000
Collection Allowance Deductions **	\$4,372,805	\$4,601,671	\$4,831,755	\$5,073,343

\* Licensee reviews are an informational meeting between a Revenue Agent and a licensee during which the agent explains how tax applies to the specific business and transactions. The review is not an official audit of the business. Businesses are targeted for review if they would not normally receive an audit and it appears that the business may have issues that cannot be corrected with a compliance contact.

\*\* First collection allowance deductions were taken on the returns filed in January 2014.

# REVENUE

## 0230 Motor Vehicles

### Mission:

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

	ACTUAL FY 2015	ACTUAL FY 2016	BUDGETED FY 2017	REQUESTED FY 2018	GOVERNOR'S RECOMMENDED FY 2018	RECOMMENDED INC/(DEC) FY 2018
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	22,800	0	300,000	300,000	300,000
Other Funds	5,391,931	11,468,517	8,881,819	9,051,790	8,934,697	52,878
<b>Total</b>	<b>\$ 5,391,931</b>	<b>\$ 11,491,317</b>	<b>\$ 8,881,819</b>	<b>\$ 9,351,790</b>	<b>\$ 9,234,697</b>	<b>\$ 352,878</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 2,199,562	\$ 2,183,252	\$ 2,434,750	\$ 2,594,709	\$ 2,483,372	\$ 48,622
Operating Expenses	3,192,369	9,308,065	6,447,069	6,757,081	6,751,325	304,256
<b>Total</b>	<b>\$ 5,391,931</b>	<b>\$ 11,491,317</b>	<b>\$ 8,881,819</b>	<b>\$ 9,351,790</b>	<b>\$ 9,234,697</b>	<b>\$ 352,878</b>
<b>Staffing Level FTE:</b>	<b>41.7</b>	<b>45.8</b>	<b>46.0</b>	<b>49.0</b>	<b>47.0</b>	<b>1.0</b>

	ACTUAL FY 2015	ACTUAL FY 2016	ESTIMATED FY 2017	ESTIMATED FY 2018
<b>REVENUES</b>				
Collections:				
Motor Vehicle Fees	148,550,093	178,754,932	179,000,000	179,000,000
Motor Vehicle Commercial Fees	20,592,745	21,038,632	21,000,000	21,000,000
Motor Fuel Taxes	166,513,065	204,865,451	205,000,000	205,000,000
<b>Total</b>	<b>335,655,903</b>	<b>404,659,015</b>	<b>405,000,000</b>	<b>405,000,000</b>

<b>PERFORMANCE INDICATORS</b>				
Certificates of Title Issued	391,759	384,966	390,000	390,000
Specialty Plates Issued & Renewed	43,768	59,525	50,000	50,000
Vehicles Registered - Total	1,425,379	1,519,080	1,500,000	1,500,000
Internet/Self-Service Terminal	71,163 / 63,580	70,783 / 47,765	75,000 / 60,000	80,000 / 65,000
Licensed Vehicle Dealers	1,286	1,377	1,350	1,350
Internat'l Fuel Tax Assoc (IFTA) Licenses	2,841	2,842	2,850	2,850
Prorate Power Units Licensed	11,817	10,256	11,500	11,500
Fuel Suppliers	75	73	74	74
Fuel Importers & Exporters	324	317	325	325
Fuel Blender	132	110	140	140
Highway Contractors Licenses	561	550	560	560
Marketers Licenses	1,353	1,375	1,375	1,375
Biodiesel Producers	1	0	0	0
Ethanol Producers	16	16	16	16
Ethanol Brokers	11	10	12	12

# REVENUE

## 0240 Property and Special Taxes

### Mission:

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.

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.

	ACTUAL FY 2015	ACTUAL FY 2016	BUDGETED FY 2017	REQUESTED FY 2018	GOVERNOR'S RECOMMENDED FY 2018	RECOMMENDED INC/(DEC) FY 2018
<b>FUNDING SOURCE:</b>						
General Funds	\$ 1,149,303	\$ 1,158,933	\$ 1,301,766	\$ 1,301,766	\$ 1,301,766	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	0	0	0	0	0	0
<b>Total</b>	<b>\$ 1,149,303</b>	<b>\$ 1,158,933</b>	<b>\$ 1,301,766</b>	<b>\$ 1,301,766</b>	<b>\$ 1,301,766</b>	<b>\$ 0</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 887,757	\$ 899,629	\$ 1,037,374	\$ 1,037,374	\$ 1,037,374	\$ 0
Operating Expenses	261,546	259,304	264,392	264,392	264,392	0
<b>Total</b>	<b>\$ 1,149,303</b>	<b>\$ 1,158,933</b>	<b>\$ 1,301,766</b>	<b>\$ 1,301,766</b>	<b>\$ 1,301,766</b>	<b>\$ 0</b>
<b>Staffing Level FTE:</b>	<b>13.8</b>	<b>14.7</b>	<b>15.0</b>	<b>15.0</b>	<b>15.0</b>	<b>0.0</b>

	ACTUAL FY 2015	ACTUAL FY 2016	ESTIMATED FY 2017	ESTIMATED FY 2018
<b>REVENUES</b>				
Collections:				
Special Taxes-State Funds	58,005,380	90,555,035	85,000,000	85,000,000
Special Taxes-Local Governments	41,363,318	35,502,875	35,500,000	35,500,000
<b>Total</b>	<b>99,368,698</b>	<b>126,057,910</b>	<b>120,500,000</b>	<b>120,500,000</b>

<b>PERFORMANCE INDICATORS</b>				
Tax Refund Applications Received	2,119	1,902	2,000	2,000
Applications Refunded / Amount Refunded	1,964 / \$429,761	1,752 / \$428,645	1,900 / \$438,500	1,900 / \$438,500
Bank Franchise Returns / Qtr Reports Filed	737 / 456	876 / 373	900 / 0	1,000 / 0
Cigarette Wholesaler & Distributor Licenses	86	84	85	85
Cigarette Retailers Registered	2,136	2,146	2,150	2,150
Cigarette Stamps	34,730,144	39,456,782	38,000,000	38,000,000
Other Tobacco Products Reports Filed	829	831	850	850
Retail Compliance Checks / Cigarette Seizures	841 / 242	749 / 162	800 / 60	800 / 60
Liquor & Beer Licenses	5,142	6,528	6,550	6,700
Levies Approved	3,800	3,933	4,000	4,000
Tax Increment Finance Districts	150	169	160	200
Assessors Certified/Attendance Annual School	174 / 114	185 / 116	175 / 135	175 / 135
Centrally Assessed Companies	140	144	145	145
Property Transfers Analyzed	39,470	39,694	40,000	40,000

# REVENUE

## 0250 Audits

### Mission:

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)

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.

	ACTUAL FY 2015	ACTUAL FY 2016	BUDGETED FY 2017	REQUESTED FY 2018	GOVERNOR'S RECOMMENDED FY 2018	RECOMMENDED INC/(DEC) FY 2018
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	4,207,658	4,136,733	4,609,711	4,609,711	4,609,711	0
<b>Total</b>	<b>\$ 4,207,658</b>	<b>\$ 4,136,733</b>	<b>\$ 4,609,711</b>	<b>\$ 4,609,711</b>	<b>\$ 4,609,711</b>	<b>\$ 0</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 3,640,895	\$ 3,532,470	\$ 4,010,994	\$ 4,010,994	\$ 4,010,994	\$ 0
Operating Expenses	566,763	604,263	598,717	598,717	598,717	0
<b>Total</b>	<b>\$ 4,207,658</b>	<b>\$ 4,136,733</b>	<b>\$ 4,609,711</b>	<b>\$ 4,609,711</b>	<b>\$ 4,609,711</b>	<b>\$ 0</b>
Staffing Level FTE:	53.9	52.8	55.0	55.0	55.0	0.0

	ACTUAL FY 2015	ACTUAL FY 2016	ESTIMATED FY 2017	ESTIMATED FY 2018
<b>REVENUES</b>				
Audit Assessments: *				
Sales/Use & Excise Tax Assessments	14,393,387	21,336,163	21,000,000	21,500,000
IFTA, Motor Fuel, Prorate Assessments	-128,550	-58,751	100,000	100,000
<b>Total</b>	<b>14,264,837</b>	<b>21,277,412</b>	<b>21,100,000</b>	<b>21,600,000</b>

\* Number of audits completed and audit assessments are based on the level of experience of the audit staff. The audit staff consists of 41 Sales, Use & Excise Tax auditors, 5 Fuel Tax auditors and 4 audit managers. Currently 80% of the audit staff have over 4 years of experience. The level of experience has a direct affect on the number and types of audits which can be completed.

### PERFORMANCE INDICATORS

Number of Audits: \*

Sales/Use & Excise Tax Audits	2,016	2,145	2,100	2,150
IFTA, Motor Fuel, Prorate Audts	256	343	300	325
<b>Total Audits</b>	<b>2,272</b>	<b>2,488</b>	<b>2,400</b>	<b>2,475</b>

\* Number of audits completed and audit assessments are based on the level of experience of the audit staff. The audit staff consists of 41 Sales, Use & Excise Tax auditors, 5 Fuel Tax auditors and 4 audit managers. Currently 80% of the audit staff have over 4 years of experience. The level of experience has a direct affect on the number and types of audits which can be completed.

# REVENUE

## 028 Lottery

### Mission:

To work in partnership with all stakeholders to promote and ensure the integrity, fairness, security and honesty of lottery games, to maximize state revenues and to ensure the Lottery remains a viable and sustainable source of revenue for the State of South Dakota.

	ACTUAL FY 2015	ACTUAL FY 2016	BUDGETED FY 2017	REQUESTED FY 2018	GOVERNOR'S RECOMMENDED FY 2018	RECOMMENDED INC/(DEC) FY 2018
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	40,224,750	43,446,111	41,037,420	41,037,420	41,037,420	0
<b>Total</b>	<b>\$ 40,224,750</b>	<b>\$ 43,446,111</b>	<b>\$ 41,037,420</b>	<b>\$ 41,037,420</b>	<b>\$ 41,037,420</b>	<b>\$ 0</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 1,817,259	\$ 1,804,045	\$ 2,155,471	\$ 2,155,471	\$ 2,155,471	\$ 0
Operating Expenses	38,407,491	41,642,067	38,881,949	38,881,949	38,881,949	0
<b>Total</b>	<b>\$ 40,224,750</b>	<b>\$ 43,446,111</b>	<b>\$ 41,037,420</b>	<b>\$ 41,037,420</b>	<b>\$ 41,037,420</b>	<b>\$ 0</b>
<b>Staffing Level FTE:</b>	<b>30.6</b>	<b>31.0</b>	<b>31.0</b>	<b>31.0</b>	<b>31.0</b>	<b>0.0</b>

# REVENUE

## 0281 Instant and On-line Operations - Info

### Mission:

To work in partnership with all stakeholders to promote and ensure the integrity, fairness, security and honesty of lottery games, to maximize state revenues and to ensure the Lottery remains a viable and sustainable source of revenue for the State of South Dakota.

	ACTUAL FY 2015	ACTUAL FY 2016	BUDGETED FY 2017	REQUESTED FY 2018	GOVERNOR'S RECOMMENDED FY 2018	RECOMMENDED INC/(DEC) FY 2018
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	38,020,082	41,072,730	38,403,677	38,403,677	38,403,677	0
<b>Total</b>	<b>\$ 38,020,082</b>	<b>\$ 41,072,730</b>	<b>\$ 38,403,677</b>	<b>\$ 38,403,677</b>	<b>\$ 38,403,677</b>	<b>\$ 0</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 1,162,744	\$ 1,150,324	\$ 1,463,661	\$ 1,463,661	\$ 1,463,661	\$ 0
Operating Expenses	36,857,338	39,922,406	36,940,016	36,940,016	36,940,016	0
<b>Total</b>	<b>\$ 38,020,082</b>	<b>\$ 41,072,730</b>	<b>\$ 38,403,677</b>	<b>\$ 38,403,677</b>	<b>\$ 38,403,677</b>	<b>\$ 0</b>
<b>Staffing Level FTE:</b>	<b>19.7</b>	<b>19.8</b>	<b>21.0</b>	<b>21.0</b>	<b>21.0</b>	<b>0.0</b>

	ACTUAL FY 2015	ACTUAL FY 2016	ESTIMATED FY 2017	ESTIMATED FY 2018
<b>REVENUES</b>				
Instant Proceeds-General Fund	5,362,306	6,049,130	6,200,000	6,350,000
On-Line Proceeds-General Fund	1,400,000	1,400,000	1,400,000	1,400,000
On-Line Proceeds-Capital Construction Fund	7,517,262	7,177,367	7,400,000	7,600,000
<b>Total</b>	<b>14,279,568</b>	<b>14,626,497</b>	<b>15,000,000</b>	<b>15,350,000</b>

<b>PERFORMANCE INDICATORS</b>				
Instant Games Introduced	27	25	26	28
On-Line Games Offered	6	5	5	5
Licensed Lottery Retailers-On-Line	608	610	616	616
Licensed Lottery Retailers-Instant Only	12	13	13	13
Prizes Paid to Players	\$29,341,037	\$31,698,841	\$30,632,000	\$31,854,592
Retailer Commissions Paid	\$2,820,399	\$2,987,162	\$2,964,740	\$3,083,069
Total Sales-Instant Games	\$26,108,032	\$26,325,301	\$27,370,000	\$28,460,000
Total Sales-On-Line Games	\$25,275,932	\$28,797,860	\$27,330,000	\$28,423,200
Total Sales (Instant + On-Line)	\$51,383,964	\$55,123,161	\$54,700,000	\$56,883,200



# REVENUE

## 0282 Video Lottery

### Mission:

To work in partnership with all stakeholders to promote and ensure the integrity, fairness, security and honesty of lottery games, to maximize state revenues and to ensure the Lottery remains a viable and sustainable source of revenue for the State of South Dakota.

	ACTUAL FY 2015	ACTUAL FY 2016	BUDGETED FY 2017	REQUESTED FY 2018	GOVERNOR'S RECOMMENDED FY 2018	RECOMMENDED INC/(DEC) FY 2018
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	2,204,669	2,373,381	2,633,743	2,633,743	2,633,743	0
Total	<u>\$ 2,204,669</u>	<u>\$ 2,373,381</u>	<u>\$ 2,633,743</u>	<u>\$ 2,633,743</u>	<u>\$ 2,633,743</u>	<u>\$ 0</u>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 654,515	\$ 653,720	\$ 691,810	\$ 691,810	\$ 691,810	\$ 0
Operating Expenses	1,550,153	1,719,661	1,941,933	1,941,933	1,941,933	0
Total	<u>\$ 2,204,669</u>	<u>\$ 2,373,381</u>	<u>\$ 2,633,743</u>	<u>\$ 2,633,743</u>	<u>\$ 2,633,743</u>	<u>\$ 0</u>
Staffing Level FTE:	11.0	11.2	10.0	10.0	10.0	0.0

	ACTUAL FY 2015	ACTUAL FY 2016	ESTIMATED FY 2017	ESTIMATED FY 2018
<b>REVENUES</b>				
License Fees to VL Operating Fund	1,300,175	1,303,310	1,300,000	1,300,000
Additional Mfg. License Fee-General Fund	90,000	75,000	75,000	75,000
Video Lottery Proceeds	98,289,782	102,533,139	105,609,000	108,777,000
Miscellaneous Revenue	2,625	54,300	50,000	50,000
Total	<u>99,682,582</u>	<u>103,965,749</u>	<u>107,034,000</u>	<u>110,202,000</u>

<b>PERFORMANCE INDICATORS</b>				
Machines Placed (12-Month Avg)	8,928	9,002	9,000	9,000
Licensed Establishments (12-Month Avg)	1,372	1,331	1,330	1,330
Licensed Operators	123	114	115	115
Licensed Distributors	6	6	6	6
Licensed Manufacturers	5	5	5	5

# REVENUE

## 0293 Commission on Gaming - Info

### Mission:

The South Dakota Commission on Gaming is given statutory authority (SDCL 42-7 & 47-7B) 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.

	ACTUAL FY 2015	ACTUAL FY 2016	BUDGETED FY 2017	REQUESTED FY 2018	GOVERNOR'S RECOMMENDED FY 2018	RECOMMENDED INC/(DEC) FY 2018
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	10,198,364	10,316,606	10,680,110	10,680,110	10,680,110	0
<b>Total</b>	<b>\$ 10,198,364</b>	<b>\$ 10,316,606</b>	<b>\$ 10,680,110</b>	<b>\$ 10,680,110</b>	<b>\$ 10,680,110</b>	<b>\$ 0</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 855,604	\$ 881,897	\$ 1,068,960	\$ 1,068,960	\$ 1,068,960	\$ 0
Operating Expenses	9,342,761	9,434,708	9,611,150	9,611,150	9,611,150	0
<b>Total</b>	<b>\$ 10,198,364</b>	<b>\$ 10,316,606</b>	<b>\$ 10,680,110</b>	<b>\$ 10,680,110</b>	<b>\$ 10,680,110</b>	<b>\$ 0</b>
<b>Staffing Level FTE:</b>	<b>13.6</b>	<b>14.2</b>	<b>16.0</b>	<b>16.0</b>	<b>16.0</b>	<b>0.0</b>

	ACTUAL FY 2015	ACTUAL FY 2016	ESTIMATED FY 2017	ESTIMATED FY 2018
<b>REVENUES</b>				
Gaming Fund:				
Device Fees	6,540,000	6,418,000	6,330,000	6,330,000
Gross Revenue Tax	8,993,841	9,256,085	9,000,000	9,000,000
City Slot Tax	295,352	401,500	401,500	401,500
Application Fees	74,735	88,280	80,000	80,000
License Fees	95,005	111,475	105,000	105,000
Device Testing Fees	13,419	17,614	15,000	15,000
Penalties	26,078	2,590	3,000	3,000
Interest	17,923	19,674	18,000	18,000
Racing Revenues:				
Dogs:				
Commission	11,407	12,748	11,473	11,473
Licenses & Fines	3,610	3,660	3,294	3,294
Revolving Fund	61,345	66,045	59,440	59,440
Bred Fund	23,891	26,072	23,464	23,464
Horses:				
Commission	37,708	37,989	34,190	34,190
Licenses & Fines	47,500	46,395	41,756	41,756
Revolving Fund	133,908	128,737	115,863	115,863
Bred Fund	66,485	61,345	55,211	55,211
Interest	4,854	5,264	4,738	4,738
<b>Total</b>	<b>16,447,061</b>	<b>16,703,473</b>	<b>16,301,929</b>	<b>16,301,929</b>

### PERFORMANCE INDICATORS

Licenses Issued:				
Manufacturers / Distributors	15	14	15	15
Operators / Retailers	20 / 146	21 / 145	21 / 145	21 / 145
Support / Key Employees	1,367	1,548	1,550	1,550
Device Licenses	3,270	3,209	3,165	3,165
Gaming Distributions	\$14,803,918	\$14,959,648	\$14,900,000	\$14,900,000