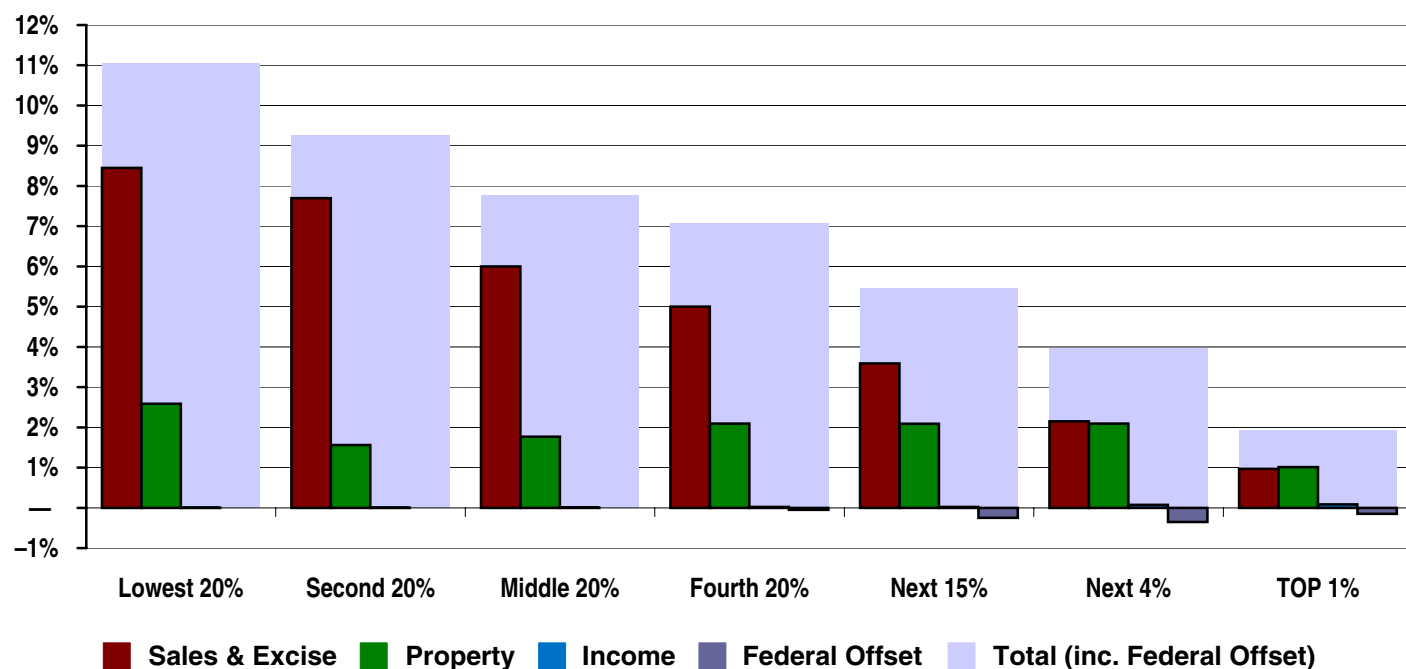


South Dakota

State & Local Taxes in 2007

Shares of family income for non-elderly taxpayers



Income Group	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Top 20%		
					Next 15%	Next 4%	TOP 1%
Income Range	Less than \$18,000	\$18,000 – \$33,000	\$33,000 – \$52,000	\$52,000 – \$84,000	\$84,000 – \$150,000	\$150,000 – \$423,000	\$423,000 or more
Average Income in Group	\$10,400	\$25,500	\$43,000	\$65,800	\$105,700	\$226,800	\$1,300,000
Sales & Excise Taxes	8.4%	7.7%	6.0%	5.0%	3.6%	2.2%	1.0%
General Sales—Individuals	4.3%	4.0%	3.3%	2.8%	2.1%	1.3%	0.6%
Other Sales & Excise—Ind.	1.3%	1.1%	0.7%	0.6%	0.4%	0.2%	0.1%
Sales & Excise on Business	2.8%	2.6%	2.0%	1.6%	1.2%	0.7%	0.3%
Property Taxes	2.6%	1.6%	1.8%	2.1%	2.1%	2.1%	1.0%
Property Taxes on Families	2.6%	1.5%	1.7%	1.9%	1.9%	1.6%	0.4%
Other Property Taxes	0.0%	0.0%	0.1%	0.2%	0.2%	0.5%	0.6%
Income Taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%
Personal Income Tax	—	—	—	—	—	—	—
Corporate Income Tax	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%
TOTAL TAXES	11.0%	9.3%	7.8%	7.1%	5.7%	4.3%	2.1%
Federal Deduction Offset	—	-0.0%	-0.0%	-0.1%	-0.3%	-0.4%	-0.2%
TOTAL AFTER OFFSET	11.0%	9.3%	7.8%	7.1%	5.5%	4.0%	1.9%

Note: Table shows 2007 tax law updated to reflect permanent changes in law enacted through October 2009.

South Dakota

State & Local Taxes

Features, Developments, and Comparisons

Progressive Features

- ✓ Provides a refund for low-income taxpayers designed to offset the impact of its sales tax on groceries

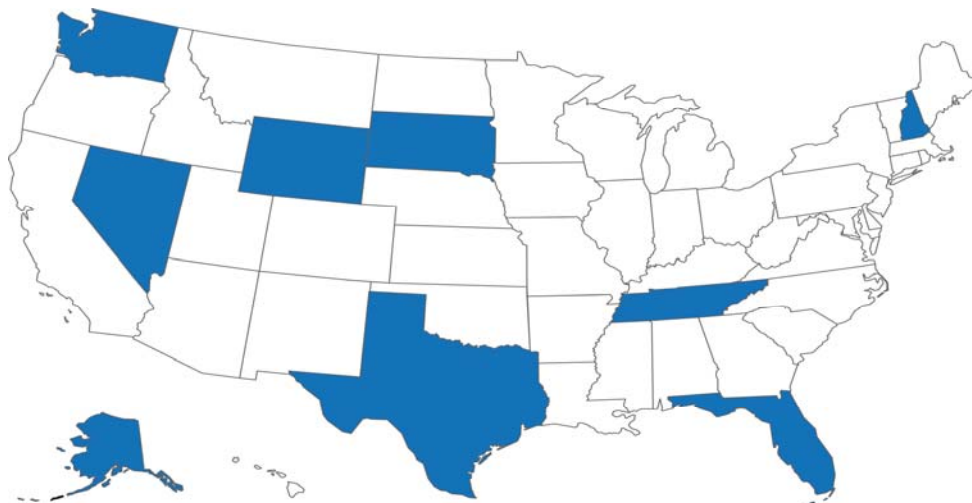
Regressive Features

- ✗ No personal income tax
- ✗ Sales tax base includes groceries
- ✗ No corporate income tax

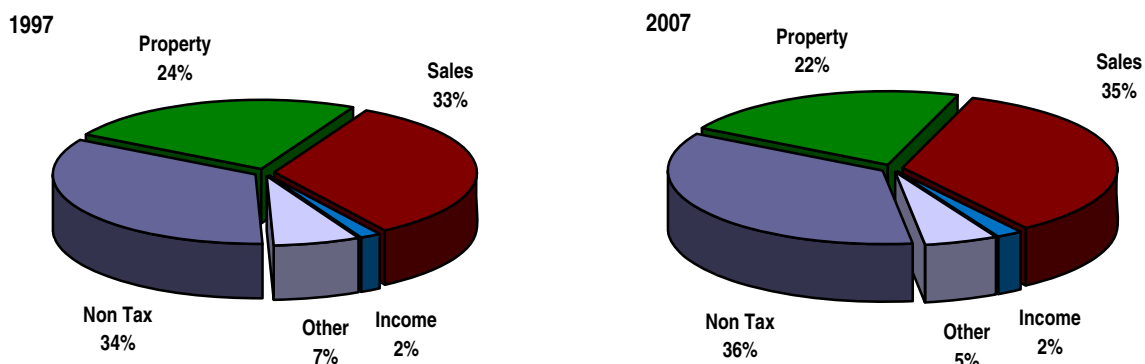
Recent Developments

- ▲ Increased cigarette taxes

States without a Broad-Based Personal Income Tax



Change in the Composition of Revenue



Source: U.S. Census Bureau, Government Finances