

South Dakota

OUR BEST INCENTIVE IS OUR TAX CLIMATE

What's that mean for you?

No Corporate Income Tax

Never having to pay a corporate income tax is the best incentive around. While other states offer to rebate your corporate income tax for several years, South Dakota will never tax you. No incentive can beat that offer.

No Personal Income Tax

Employees take home more of the dollars they earn because South Dakota has no personal income tax. Check out the purchasing power in South Dakota vs other states at calculaterealwages.com

No Personal Property Tax

Companies are not subject to a personal property tax which means they also aren't subject to the administrative costs that come with computing and remitting that tax.

No Inheritance Tax

The absence of an inheritance tax means companies won't need to liquidate their business to cover such a tax when it transfers to the next generation.

No Business Inventory Tax

Businesses can manage their inventory according to their business drivers and not have to manage the inventory based on tax implications.

Sales tax

South Dakota's state rate of 4.5% is the 9th lowest in the nation. Cities may add another 2% for a total of 6.5%.

Real Property taxes

While it varies by jurisdiction, commercial property tax rates average around 2%, based on fair market values. South Dakota law limits property tax collections to 3% over the previous year.

Bottom Line – Everyone Benefits

Businesses paying less in taxes means lower price levels for goods and services in South Dakota.

Forbes Magazine ranks South Dakota as having the lowest cost of doing business.

The US Bureau of Economic Analysis ranks South Dakota at 7th lowest for cost of living.

We don't have money set aside for incentives because we don't collect a large amount of taxes in the first place.