



South Dakota

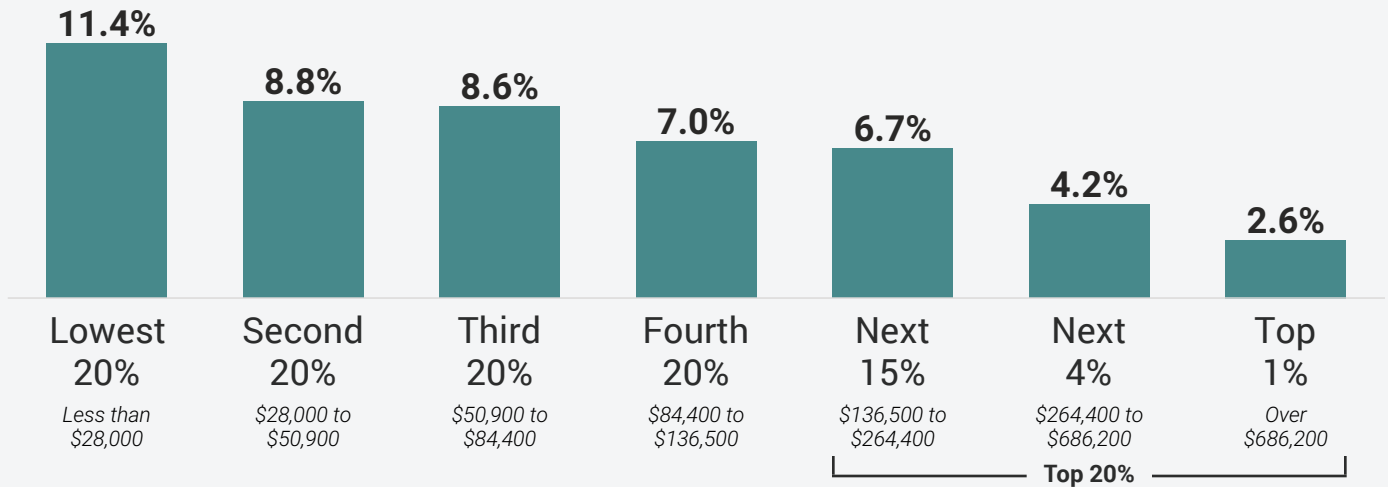
State and local tax shares of family income

Total Taxes

Share of family income

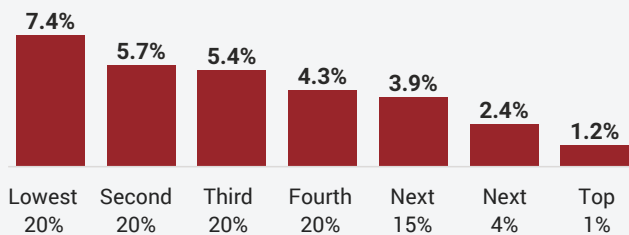


REGRESSIVE



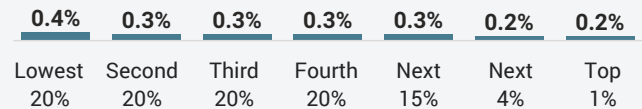
Sales & Excise Taxes

Share of family income



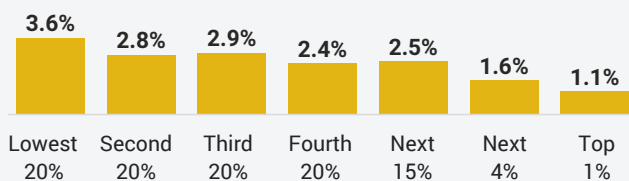
All Other Taxes

Share of family income



Property Taxes

Share of family income








Note: All figures and charts show 2024 tax law in South Dakota, presented at 2023 income levels. Senior taxpayers are excluded for reasons detailed in the methodology. Our analysis includes nearly all (99.6 percent) state and local tax revenue collected in South Dakota.

South Dakota

State and local tax (cont.)

Individual figures may not sum to totals due to rounding.

Income Group	Top 20%						
	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Next 15%	Next 4%	Top 1%
Income Range	Less than \$28,000	\$28,000 to \$50,900	\$50,900 to \$84,400	\$84,400 to \$136,500	\$136,500 to \$264,400	\$264,400 to \$686,200	Over \$686,200
Average Income in Group	\$14,600	\$40,400	\$65,400	\$112,700	\$175,900	\$385,800	\$1,860,100
 Sales & Excise Taxes	7.4%	5.7%	5.4%	4.3%	3.9%	2.4%	1.2%
General Sales—Individuals	3.3%	2.7%	2.6%	2.0%	1.8%	1.0%	0.3%
Other Sales & Excise—Ind.	2.1%	1.2%	1.1%	0.8%	0.6%	0.3%	0.1%
Sales & Excise—Business	2.1%	1.8%	1.8%	1.5%	1.5%	1.1%	0.8%
 Property Taxes	3.6%	2.8%	2.9%	2.4%	2.5%	1.6%	1.1%
Home, Rent, Car—Individuals	3.0%	2.3%	2.4%	2.0%	1.9%	1.0%	0.3%
Other Property Taxes	0.6%	0.5%	0.5%	0.5%	0.6%	0.6%	0.8%
 Income Taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Personal Income Taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Corporate Income Taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
 Other Taxes	0.4%	0.3%	0.3%	0.3%	0.3%	0.2%	0.2%
 TOTAL TAXES	11.4%	8.8%	8.6%	7.0%	6.7%	4.2%	2.6%

ITEP Tax Inequality Index

ITEP's Tax Inequality Index measures the effects of each state's tax system on income inequality. **According to this measure, South Dakota has the 6th most regressive state and local tax system in the country.** Income disparities are larger in South Dakota after state and local taxes are collected than before. (See Appendix B for state-by-state rankings and the report methodology for additional detail.)

Tax features driving the data in South Dakota

PROGRESSIVE



No significant progressive features



REGRESSIVE

Real estate transfer tax does not include higher rate on high-value sales

Does not levy a tax on estates or inheritances

No corporate income tax

No tax credits to offset sales, excise, and property taxes

State sales tax base includes groceries

No personal income tax

Comparatively high reliance on sales and excise taxes

Local sales tax bases include groceries