



445 East Capitol Avenue  
Pierre, South Dakota 57501-3185  
Phone: 605-773-3311  
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October 5, 2009

Mr. Scott Peterson  
Executive Director  
Streamlined Sales Tax Governing Board  
4205 Hillsboro Pike  
Hobbs Building Ste 305  
Nashville, TN 37215-3339

RE: 2009 South Dakota recertification

Dear Mr. Peterson:

Below is the preliminary report, prepared by Streamlined Governing Board staff, regarding South Dakota's 2009 recertification of the Streamlined Sales & Use tax Agreement, and our official response to the report.

- No 30 day rule for rate changes.

Although the 30 day rule is not yet required, South Dakota has drafted legislation for the 2010 session to provide relief from liability if a rate change fails to provide for a minimum of 30 days from enactment to the effective date.

- The taxability matrix indicates that transportation, shipping and similar charges for direct mail are not taxable but the code section cited only refers to postage.

This was an error on our part when completing the matrix. It has been corrected and as of September 10, 2009, the new matrix was posted to the Streamlined website.

- The statute specifically taxes ancillary services. The state failed to define conference bridging services when they moved their definitions from the rule to the statute.

Legislation has been drafted for the 2010 session to add the definition of "conference bridging services" to the telecommunication definitions.

Please let us know if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul Kinsman".

Paul Kinsman  
Secretary



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