

South Dakota

Instructions for Filing Quarterly Direct Wine Shipper Report and Sales & Use Tax Return

Wineries that hold a South Dakota Direct Wine Shipper license must file quarterly reports and sales and excise tax payments with the South Dakota Department of Revenue on or before the 15th day of the month following each quarterly period (April 15th, July 15th, November 15th and January 15th). **Effective July 1, you will not be able to submit your direct shipper return without providing the common carrier tracking numbers.**

All reports, returns and payments must be submitted electronically through EPath, the department's online platform. Paper and emailed will not be accepted. A winery that has not already registered for their EPath account can create one at any time at <https://apps.sd.gov/RV23EPath/Login.aspx>.

The quarterly report and sales tax return must be filed even if no shipments were made during the reporting period. There will be strict enforcement of the reporting deadline by the Department.

Direct Shipper Reports and Excise Tax Payments

1. Log in to the winery's EPath <http://sd.gov/epath> account
2. Select file a return.
3. Select direct shipper license to file the direct shipper report and excise taxes.
4. Manually enter data. Or, choose the upload file option to import data from an Excel or CSV file. Users can download the most recent Direct Shipper Template prepared by the Department from their EPath account and Wine Institute website (located on the South Dakota page under Relevant Documents) or create their own. The following data must be reported:
 - The total gallons of wine shipped to recipients in this state during the quarterly period;
 - The name and address of shipment recipients in this state and the number of cases, or portions thereof, received per recipient during the quarterly period;
 - The name of the common carrier used for delivery and the **tracking number for each shipment**;
 - The date, wine type, brand label, quantity, and purchase price of each shipment, along with any taxes paid by the purchaser, during the quarterly period.

On the current version of the report template the Column P header has been revised to "Tracking Numbers (separated by comma)." This means you may list all of the tracking numbers on one line, separating each tracking number with a comma, for each customer you ship to. After entering your tracking numbers, select Column P and save your tracking numbers in a "Text" format.

5. EPath will use the direct wine shipper report data to calculate the amounts of wine excise taxes (gallonage tax) and 2% occupational taxes (wholesale tax on the price of the wine) due.
 - Wine 3.2% -14% \$0.93 per gallon
 - Wine 14.1%- 20% \$1.45 per gallon
 - Wine 20.1% -24% \$2.07 per gallon
 - All Sparkling Wine \$2.07 per gallon
 - Occupational wholesale tax of 2% of the Purchase Price of the Wine
6. A confirmation is generated when the report and/or payment is successfully submitted. Users will receive an error message if the report or payment is not successfully filed.

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Sales Tax Return and Sales Tax Payments

1. Log in to the winery's EPath <http://sd.gov/epath> account
2. Select file a return.
3. Select sales tax license to file a Sales and Use Tax Return and pay sales taxes.
4. Users can manually enter data. Or, select the upload return option and download the sales tax template in EPath after selecting the upload return option.
5. The tax rate is based on where the customer receives the order, the customer's shipping address. State sales tax applies to all shipments into South Dakota, municipal sales tax and gross receipts tax may apply to shipments within a city.
 - 4.5% state sales tax applies to the cost of wine and shipping
 - up to 2% municipal sales tax may also apply to the cost of wine and shipping
 - 1% gross receipts tax may also apply to the cost of wine and shipping
6. Pay 4.5% State Sales Tax, additional 0-2% municipal sales tax if applicable, additional 1% municipal gross receipts tax if applicable on the cost of wine and shipping
7. A confirmation is generated when the return and/or payment is successfully submitted. Users will receive an error message if the return or payment is not successfully filed.
8. Sales and Use Tax Return Instructions for EPath are available on the Department's website under Education, EPath Help: http://dor.sd.gov/Education/EPath/Epath_Help.aspx