

Fabricators Sales & Use Tax Refund for Contractors and Subcontractors

Effective July 1, 2005, South Dakota Codified Law Chapter 10-61 provides for a refund or credit of South Dakota sales or use tax paid by contractors or subcontractors on certain fabricated tangible personal property.

A contractor or subcontractor must be a fabricator to apply for this credit or refund.

A contractor or subcontractor licensed pursuant to chapter 10-46A or 10-46B may apply for a refund of South Dakota sales and use tax paid by them if all of the following six criteria are met:

1. The sales or use tax was paid by the contractor or subcontractor who is requesting the refund;
2. The items upon which the sales and use tax was paid was purchased by the contractor or subcontractor who is requesting the refund;
3. The items upon which the sales and use tax was paid was fabricated by the contractor or subcontractor in South Dakota;
4. The fabricated item was used outside of South Dakota by the contractor or subcontractor in the performance of a contract;
5. The fabricated item is not returned to South Dakota; and
6. The fabricated item is exempt from sales or use tax in the state where the contract is performed.

- ✓ The credit or refund is **only** for the South Dakota state sales or use tax.
- ✓ The refund does **not** apply to municipal sales or use tax.
- ✓ The refund claim may only be made for the cost of the material that becomes part of the item the contractor fabricates by forming, combining, or altering materials. The refund claim does not apply to labor or other expenses incurred by the contractor in the fabrication process.
- ✓ The application for credit or refund is to be filed after the material is taken out of state and must be filed within three years of that date.

Application Fabricators Sales & Use Tax Refund for Contractors and Subcontractors

Claim Amount - Include SD state sales or use tax only, do not include municipal tax: _____

- This is a request for a:**
- Credit** - Approved credit will be applied to your account for use on future returns. This information will be added as a credit on the contractors' excise tax return corresponding to the date of this application. Do not use the credit until you receive written notice that the claim has been approved.
- Refund** - A check will be mailed after the claim is approved.

Contractor Name		SD Contractors' Excise Tax License Number
Contact Person	E-mail Address	Phone Number
Mailing Address		
Customer Name	Customer Address	
Description of Project		Project Contract Date
Project Location (Address)		
Statute of Exemption from other State		

Purchase Information (Attach additional sheets if necessary. Copies of purchase invoices and contracts may be required as documentation.)

Supplier Name/Address	Date of Purchase	Purchase Amount	Amount of Sales Tax Paid to Supplier	Amount of Use Tax Paid	Return(s) date when use tax was paid

The undersigned declare and affirm under the penalties of perjury that they have examined the information contained in the above application and all such information is, in all things, true and correct.

Dated this _____ day of _____, 20_____.

Signature _____ Title _____