

South Dakota Wage and Tax Facts 2025

MINIMUM WAGE

Minimum Wage:	\$	11.50
Minimum Cash Wage:	\$	5.75
(Tipped Employee)		
Maximum Tip Credit:	\$	5.75
Effective: 1/1/25		

STATE INCOME TAX

Wage Withholding:	None
Supplemental Wage/Bonus Rate:	None

UNEMPLOYMENT INSURANCE

Maximum Taxable Earnings:	\$	15,000
Employee Deduction:	None	
Employer Tax Rates:	0.0 - 9.5%	
Standard New Employer Rate:		
	1st Year	1.20%
	2nd Year	1.00%
	3rd Year	1.00%
Voluntary Contribution Permitted:	Yes	

DISABILITY INSURANCE

Employee Deduction:	None
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LOCAL INCOME TAXES

None

RECIPROCITY RULES

None

WORKERS' COMPENSATION

Please contact your insurance provider for details

STAFFING SERVICES SUBJECT TO SALES TAX

Temp/Perm

http://dor.sd.gov/Taxes/Business_Taxes/

AGENCY WEBSITES

Dept of Revenue: <http://dor.sd.gov>

Dept of Labor & Regulation: <http://dlr.sd.gov>

New Hire:

https://dlr.sd.gov/ra/new_hire_reporting/default.aspx