

Guide to South Dakota's Reinvestment Payment Program

Funds for this program will be provided through the payment of sales/use taxes paid on economic development projects in excess of \$20,000,000 or equipment upgrades in excess of \$2,000,000.

Step 1 – The Application

Applicants are required to complete the application found at www.sdreadytowork.com, under financing/incentives tab. The application must be submitted to GOED along with the information release authorization, and required documents before the project will be considered for a reinvestment payment. Also, prior to taking the application to the board for action, GOED will need the signed authorization from the applicant. All of the forms can be found on our website. Upon receipt of the above information, GOED will begin its analysis. The request will then be submitted to the board as spelled out in rule - at the next regular meeting that is more than 15 days after the request to take action or within 60 days of the request, whichever is sooner, at which time the board shall either approve the application as requested, approve the application contingent on the realization of certain defined conditions, or disapprove the application. The reinvestment payment may not exceed the state sales/use tax paid on project costs.

Step 2 – Follow up

If the board approves the application the applicant will receive a commitment letter with the conditions required by the board will be sent to you for approval. Upon acceptance by the applicant of those conditions, GOED will process a permit which authorizes the applicant to submit for a reinvestment payment at the conclusion of the project. If the board denies the application the applicant will receive a written notice setting forth the reason for the denial.

Step 3 – Progress Reporting

GOED staff will require quarterly status reports you can contact GOED for a sample report. The timeframe in which these will be submitted will begin one quarter after commencement of the project and will continue on a quarterly basis until project completion. Within six months after completion of the project, the applicant must file an affidavit for reinvestment payment and W-9 with GOED. This form can be found on www.sdreadytowork.com, financing incentive, REDI.

Step 4 – Finalizing the Reinvestment Payment

Within 90 days of receipt of the completed affidavit for reinvestment payment, required documents, and a determination by GOED that all terms and conditions imposed by the board have been met, GOED shall tender the reinvestment payment to the project owner or the project owner's assignee.

Applications will be sent to: Reinvestment Payment Program
Governor's Office of Economic Development
711 East Wells Avenue Pierre, SD 57501
Phone: 605.773.3301
Fax: 605.773.3256
E-mail: cherissa.nielson@state.sd.us