

South Dakota Banking Commission

December 17, 2025



Outline of Presentation

- US Economy
- US Forecast
- SD Economy
- SD Forecast
- General Fund Revenue Collections

US Economy

Consumption

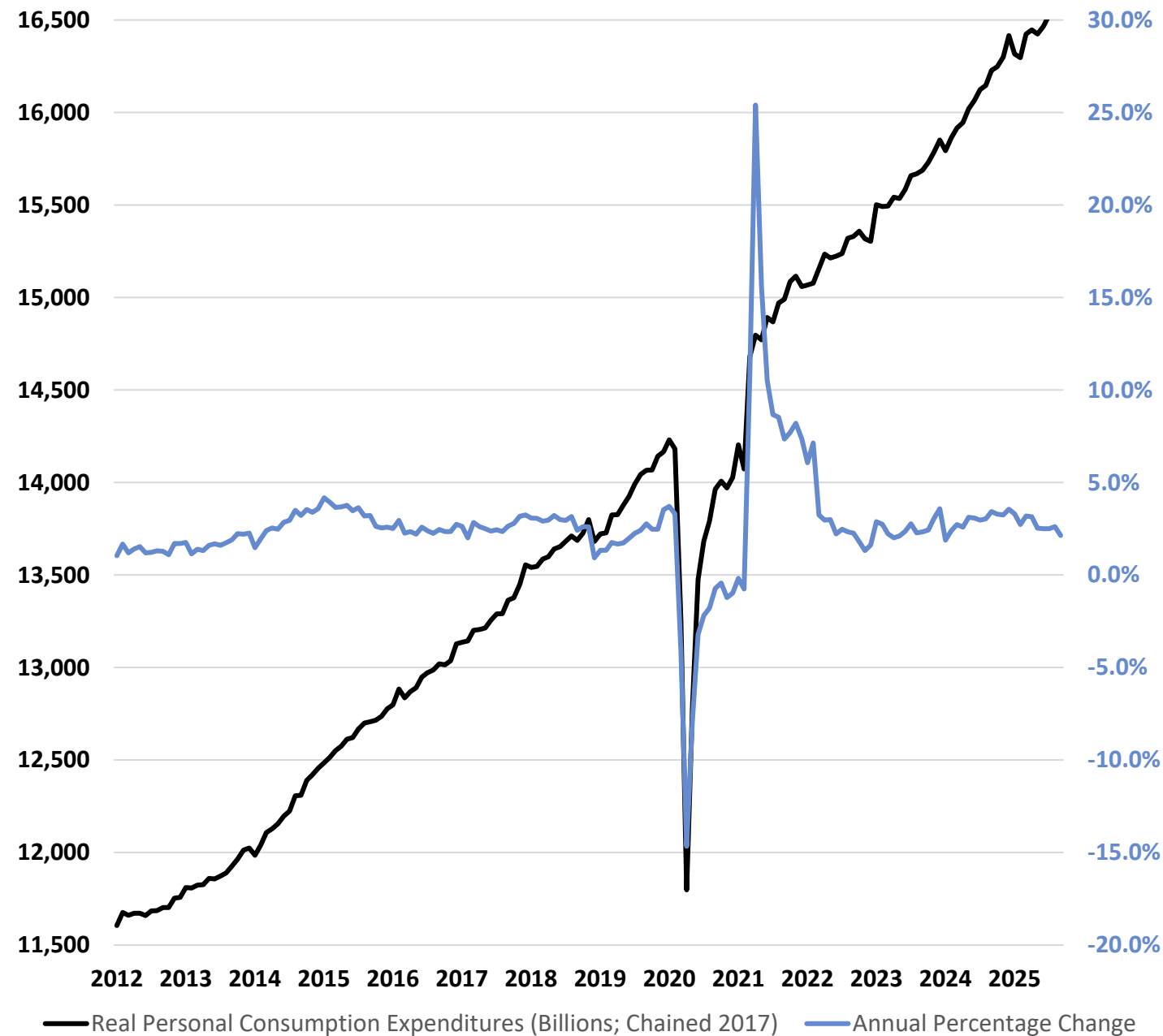
Federal Fiscal Picture

Employment and Unemployment

Inflation

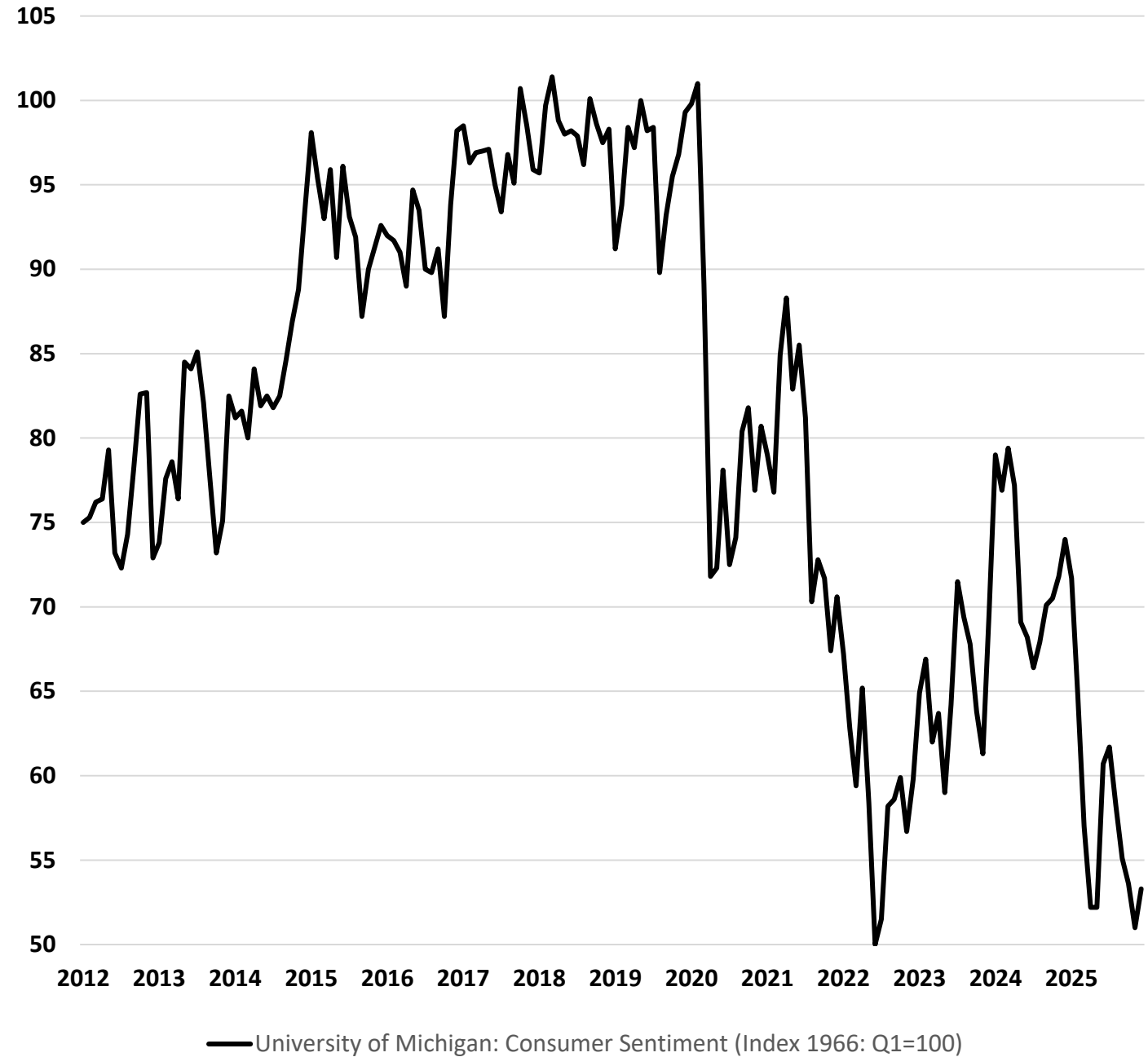


US Real Personal Consumption Expenditures



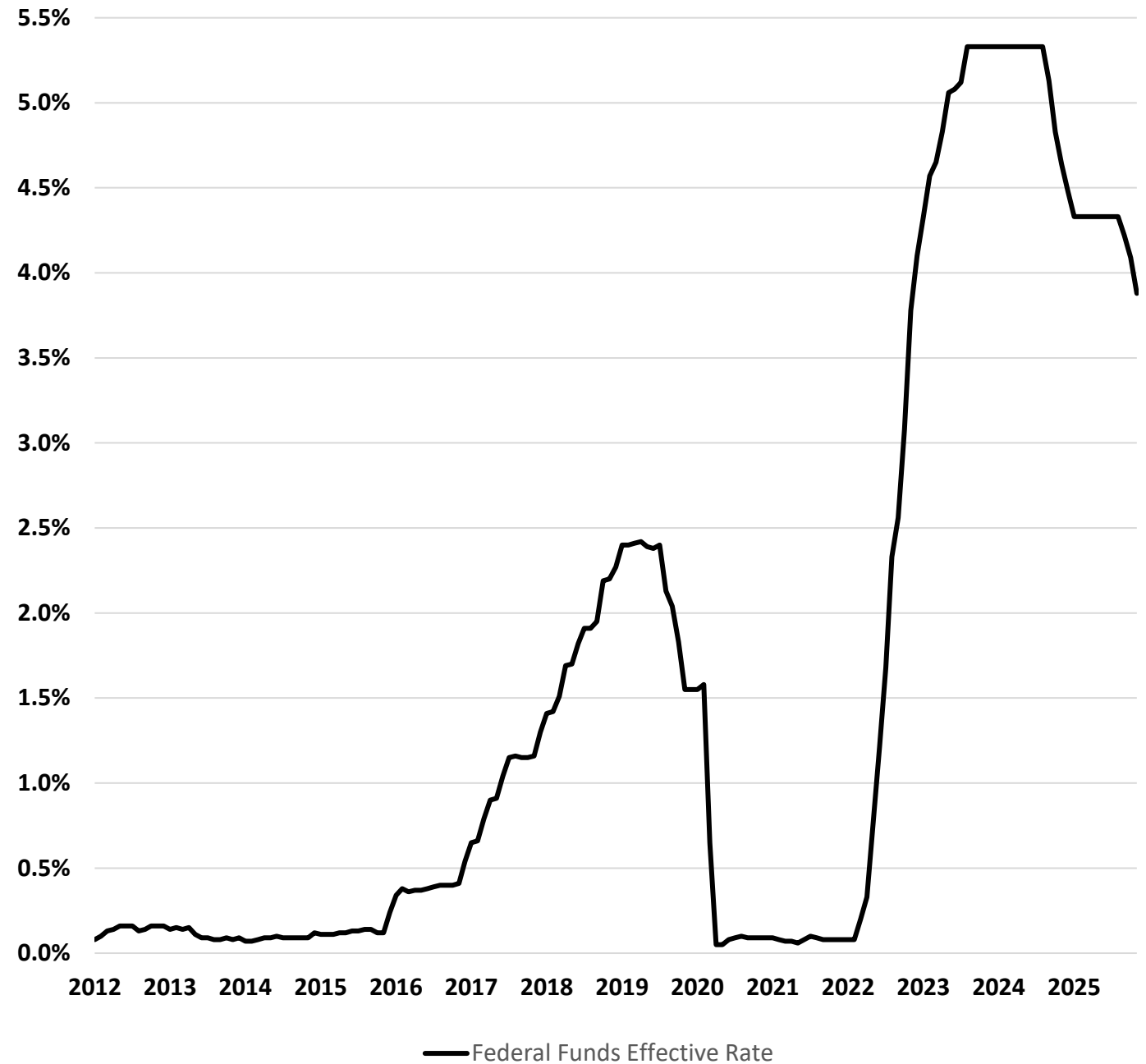


US Consumer Sentiment



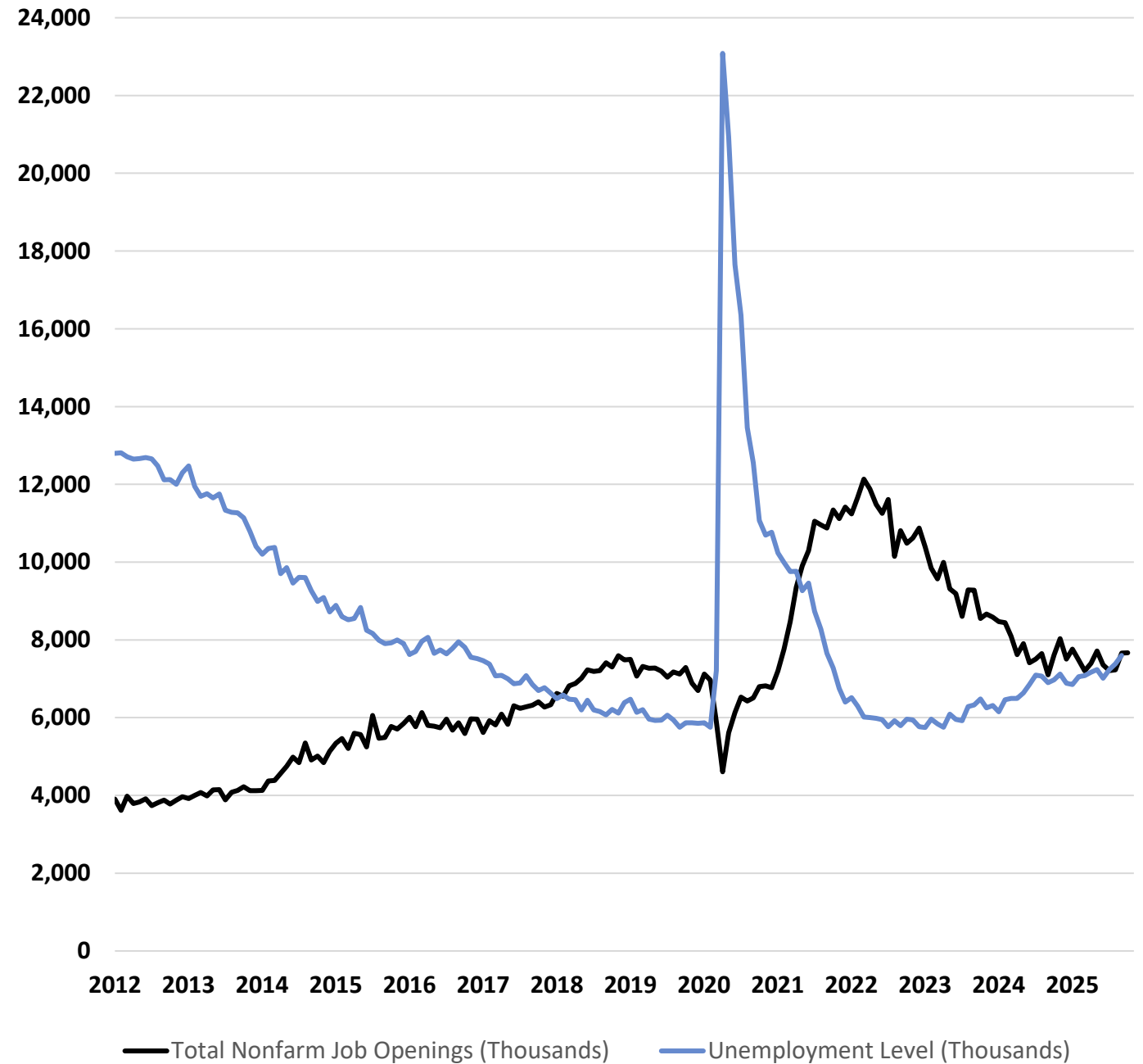


Interest Rates



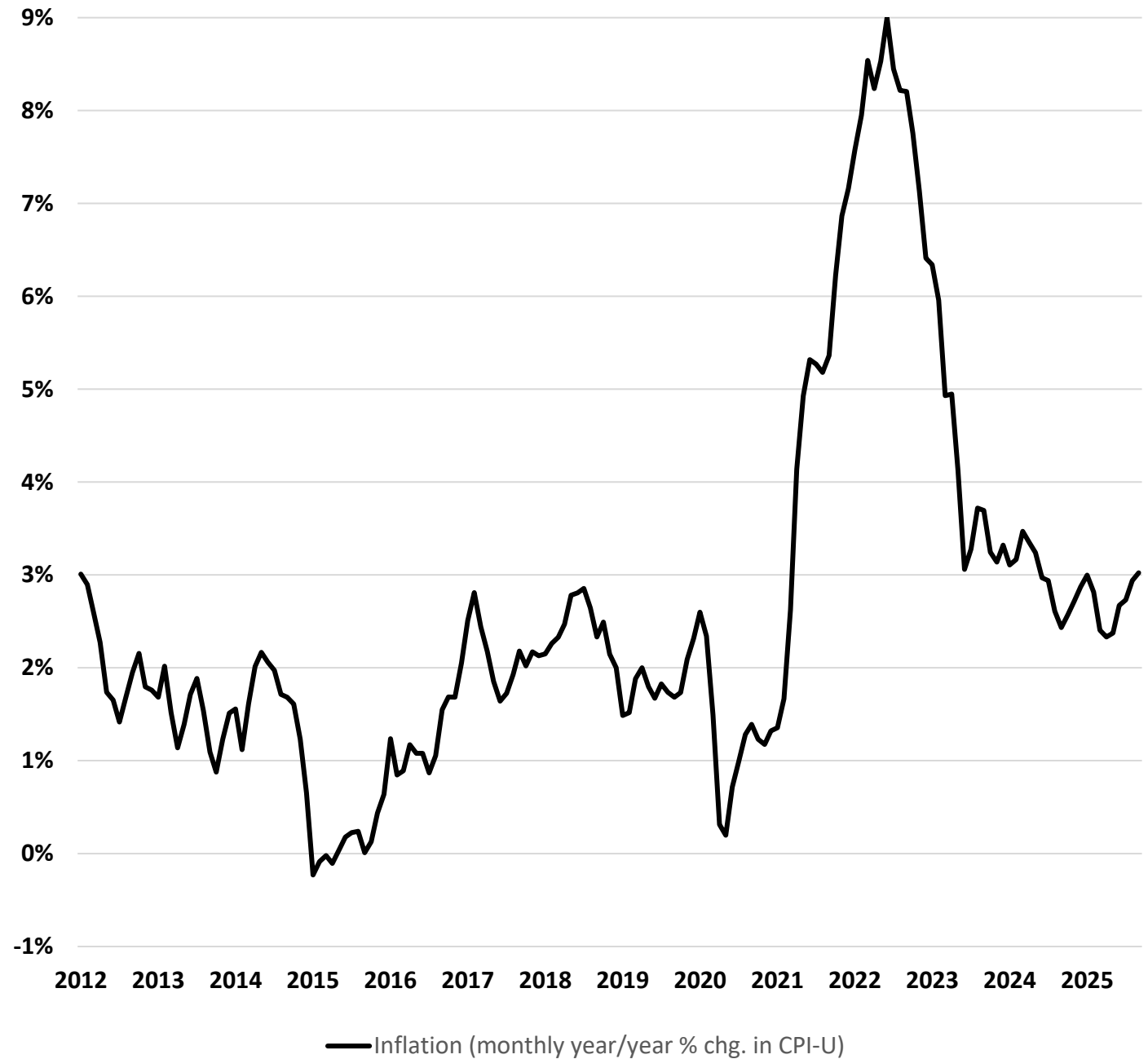


US Job Openings vs. Unemployment Level





Inflation: CPI



S&P Global Forecast - US

	2020	2021	2022	2023	2024	2025 f	2026 f	2027 f	'14-'24 avg.
Real GDP Growth	-2.1%	6.2%	2.5%	2.9%	2.8%	2.0%	2.2%	1.8%	2.5%
Nonfarm Employment	-5.8%	2.9%	4.3%	2.2%	1.3%	0.9%	0.5%	0.5%	1.4%
Personal Income	6.9%	9.5%	3.0%	6.5%	5.6%	5.0%	5.5%	5.5%	5.3%
Unemployment Rate	8.1%	5.4%	3.6%	3.6%	4.0%	4.3%	4.6%	4.6%	4.8%
CPI-U	1.3%	4.7%	8.0%	4.1%	3.0%	2.7%	2.8%	2.5%	2.8%

SD Economy

Employment

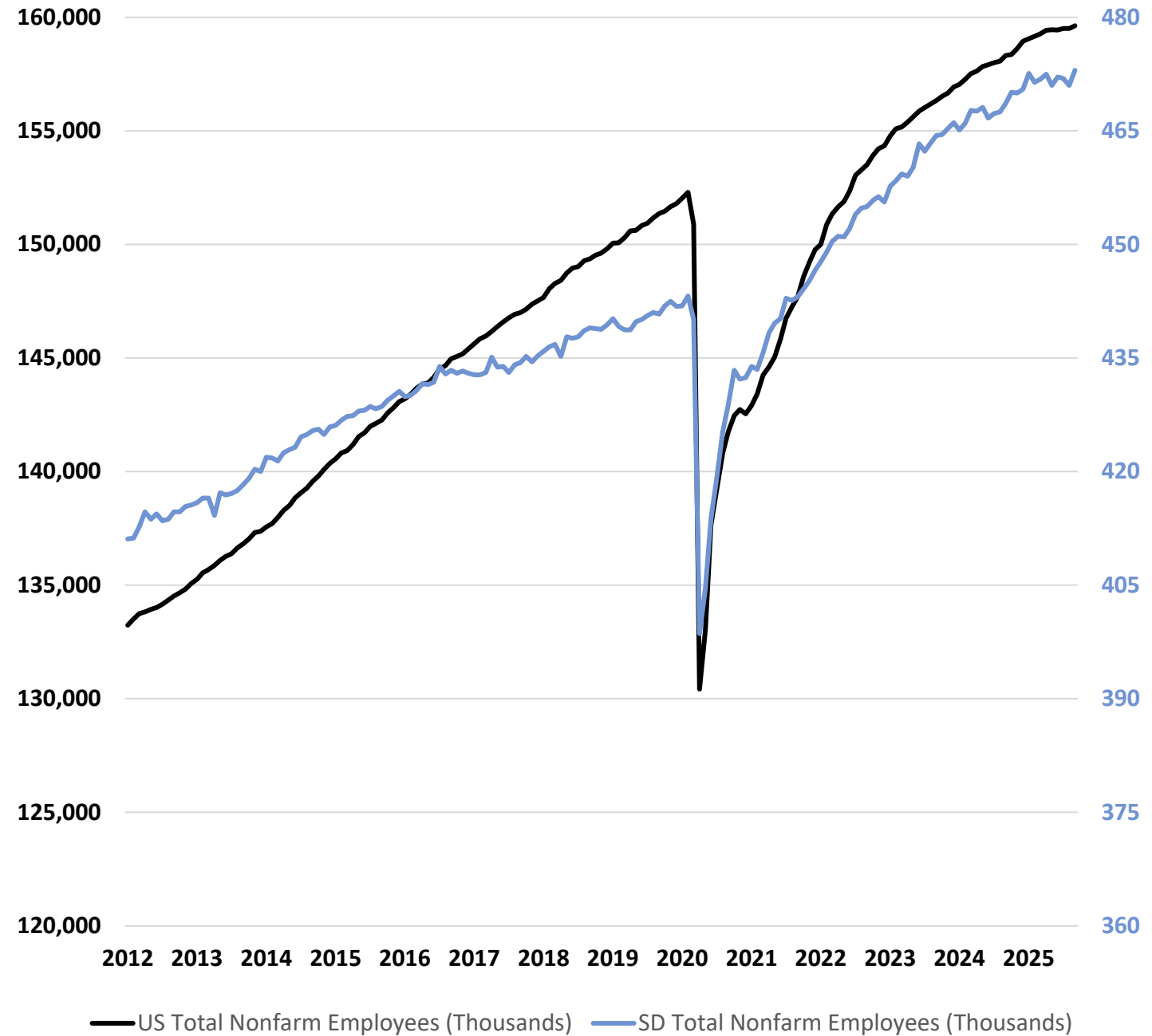
Housing

Income

Tourism

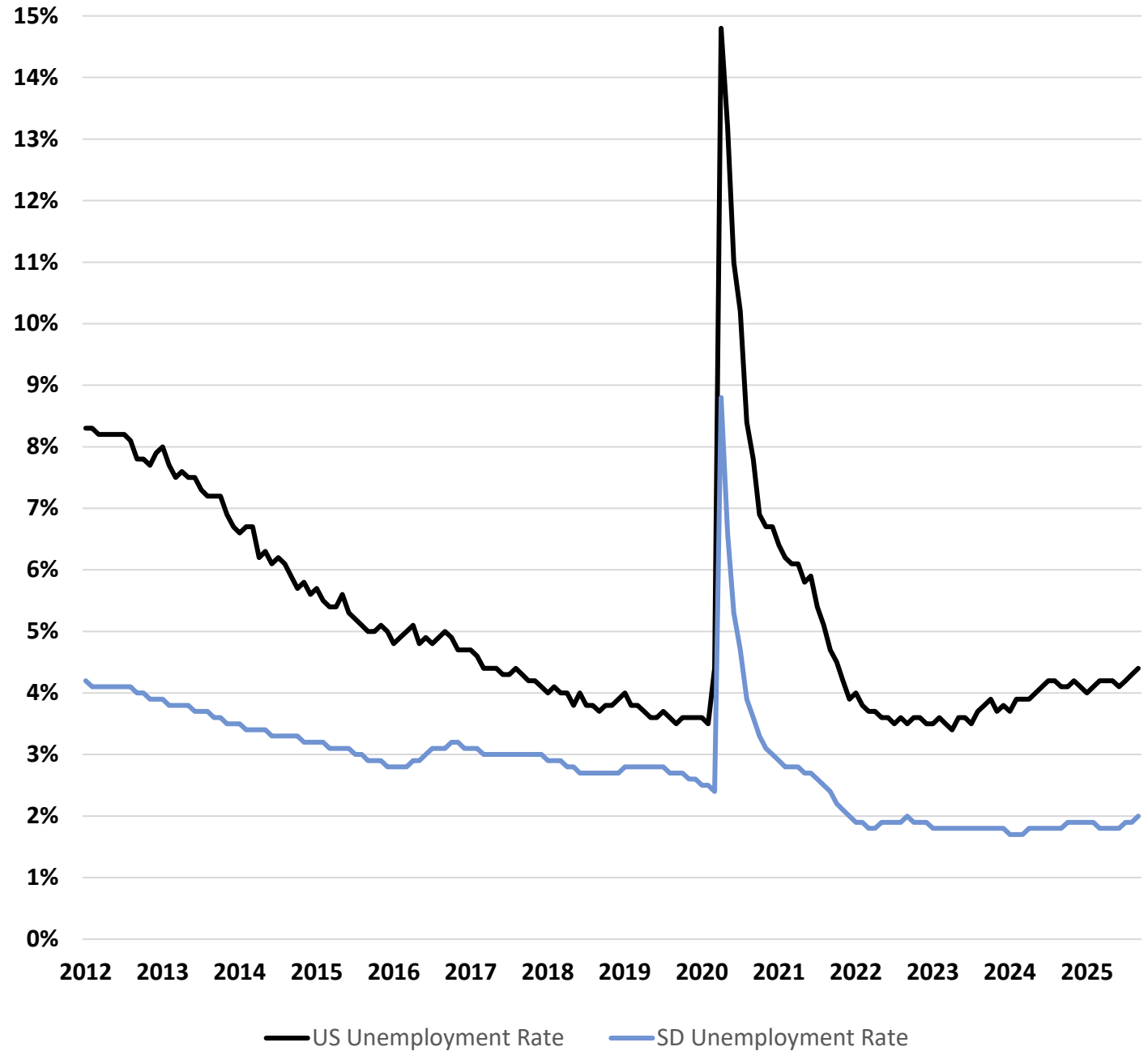


Employment Growth



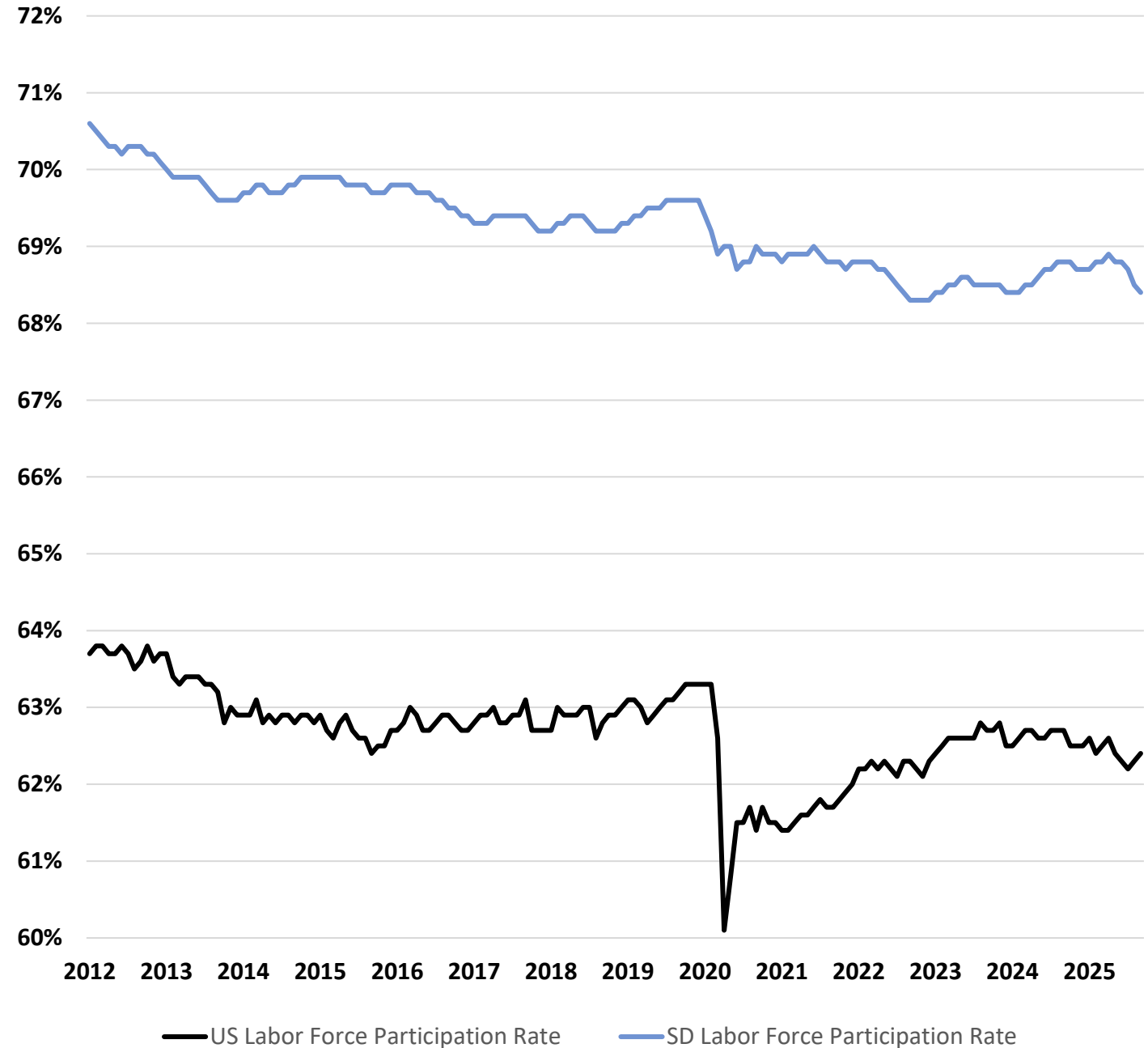


Unemployment Rate



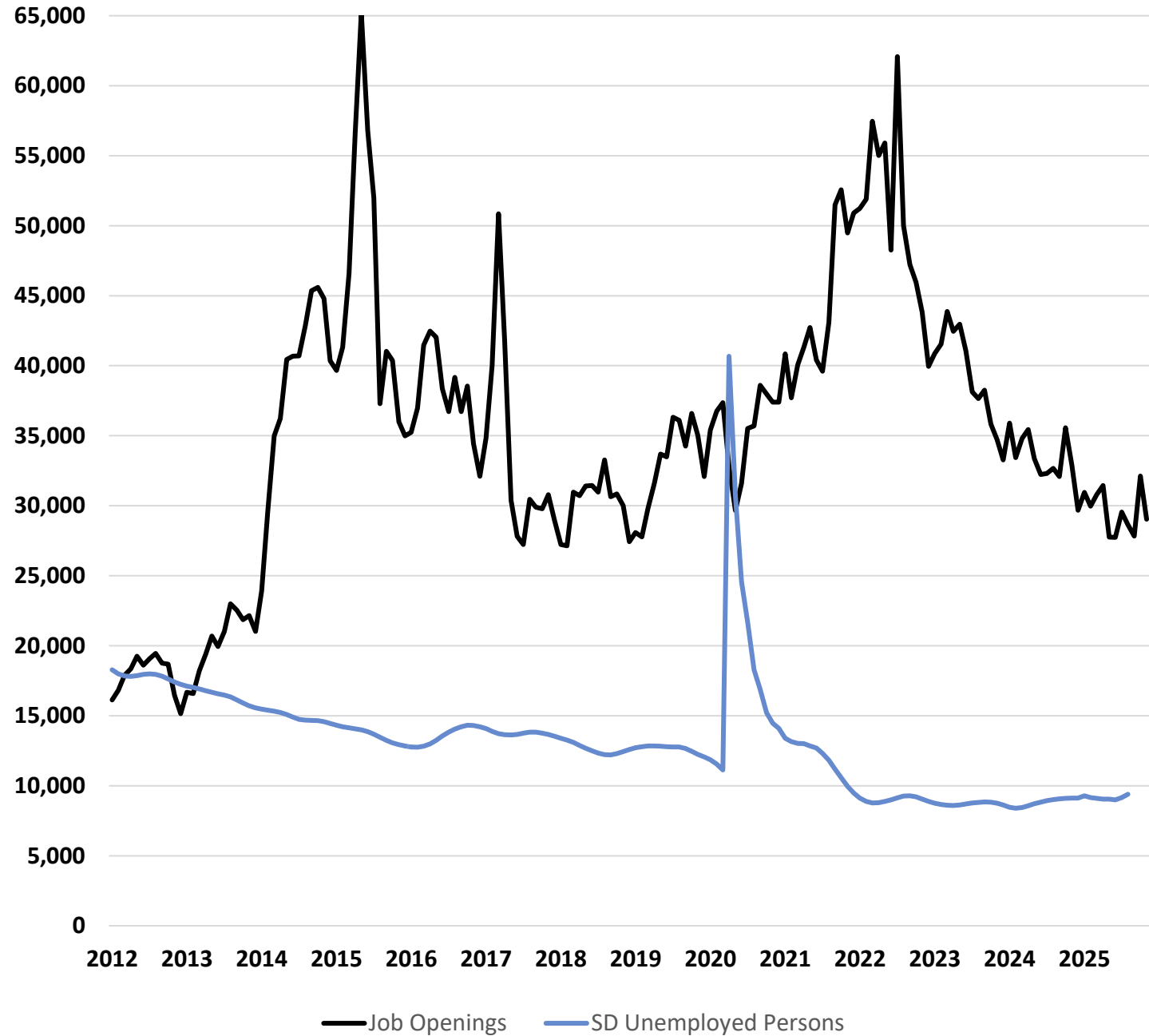


Labor Force Participation Rate



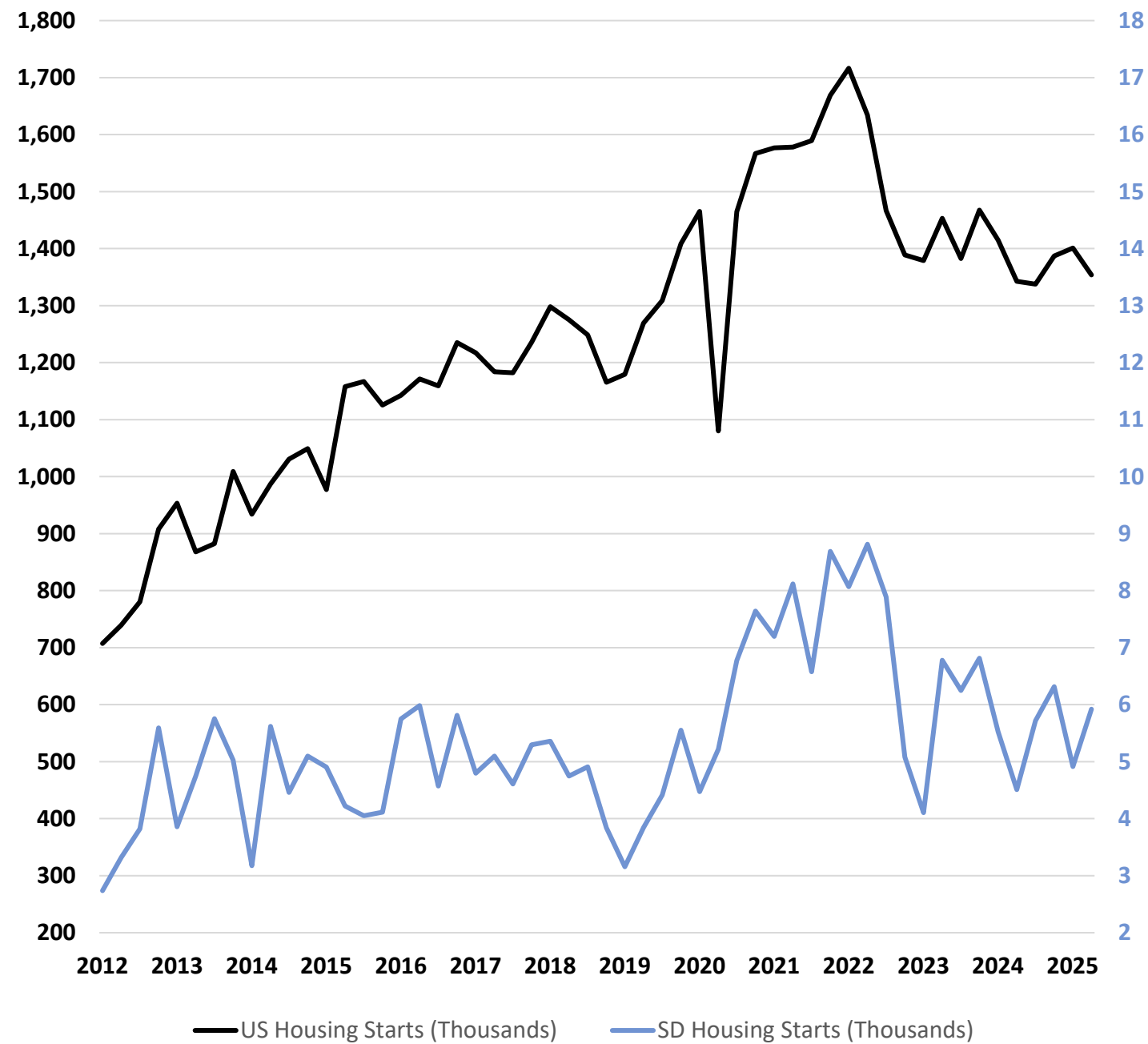


SD Job Openings vs. Unemployed



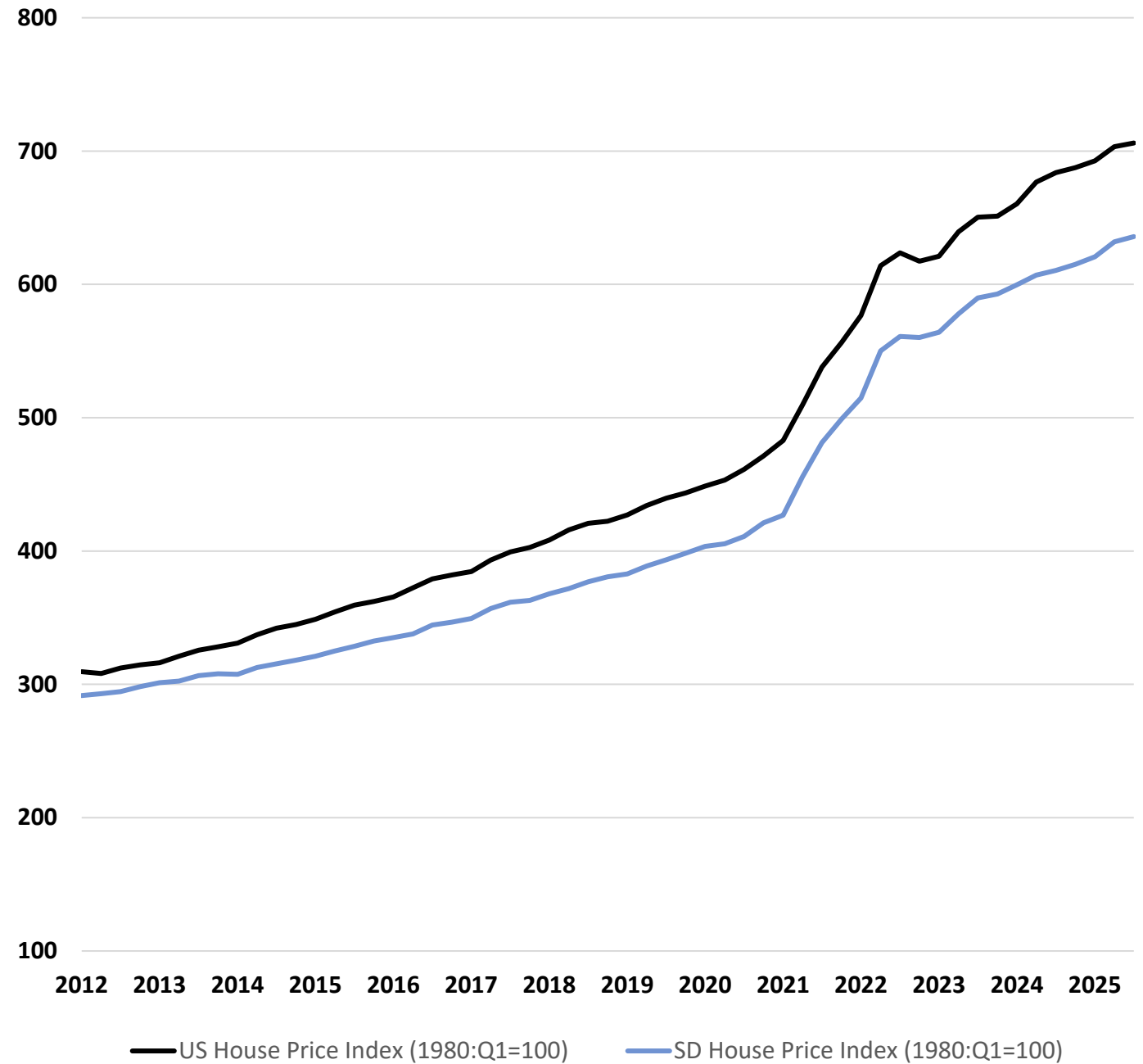


Housing Starts



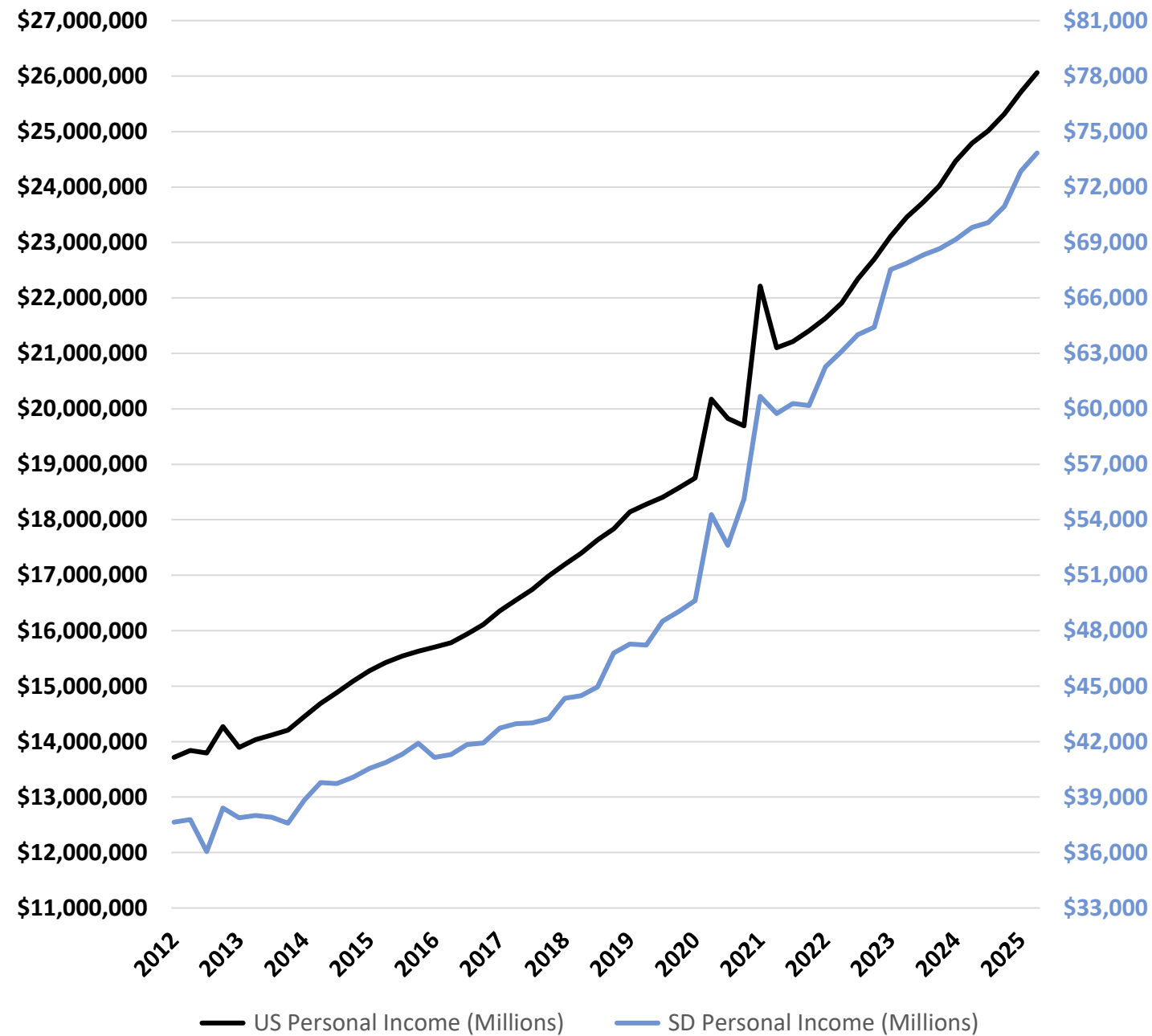


Home Price



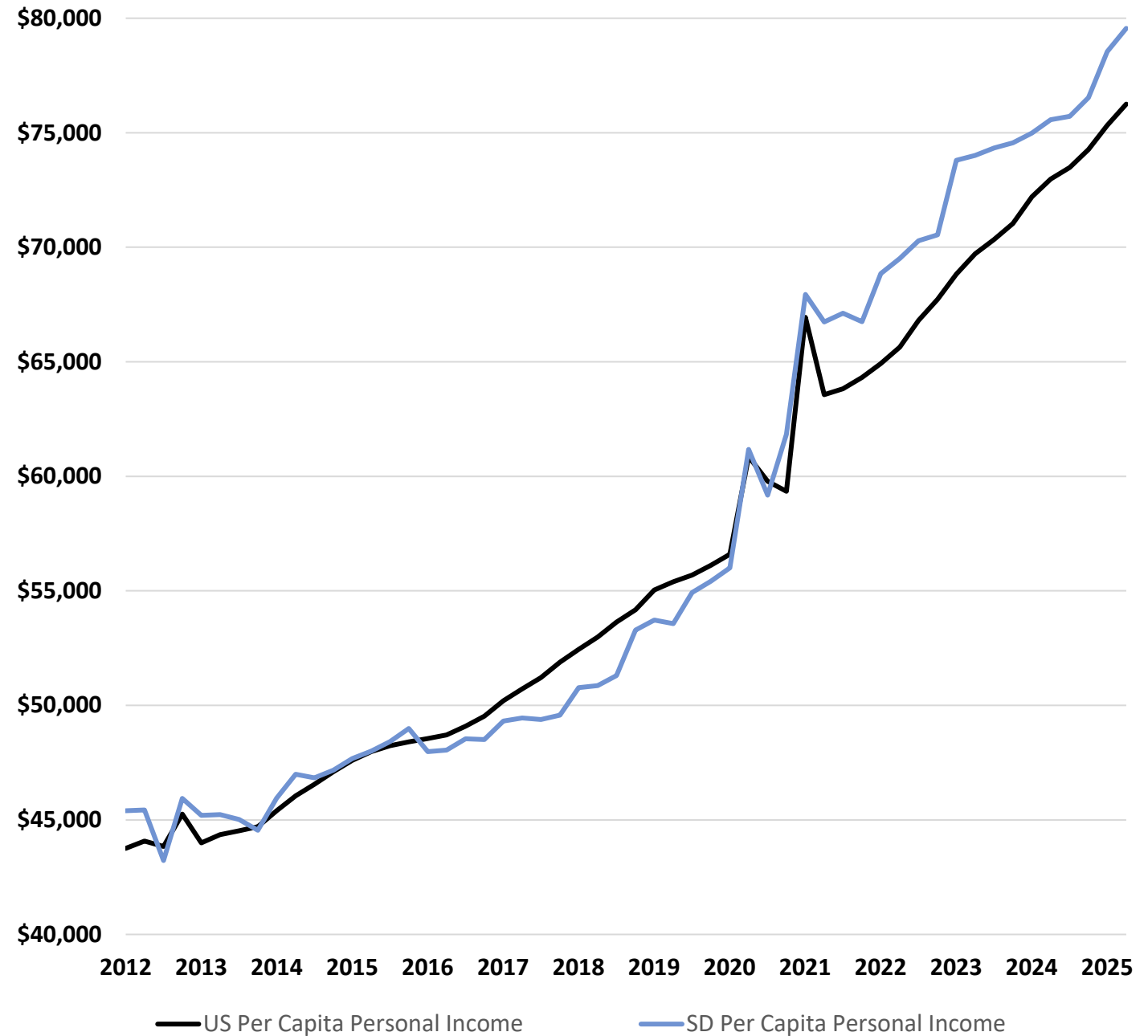


Personal Income

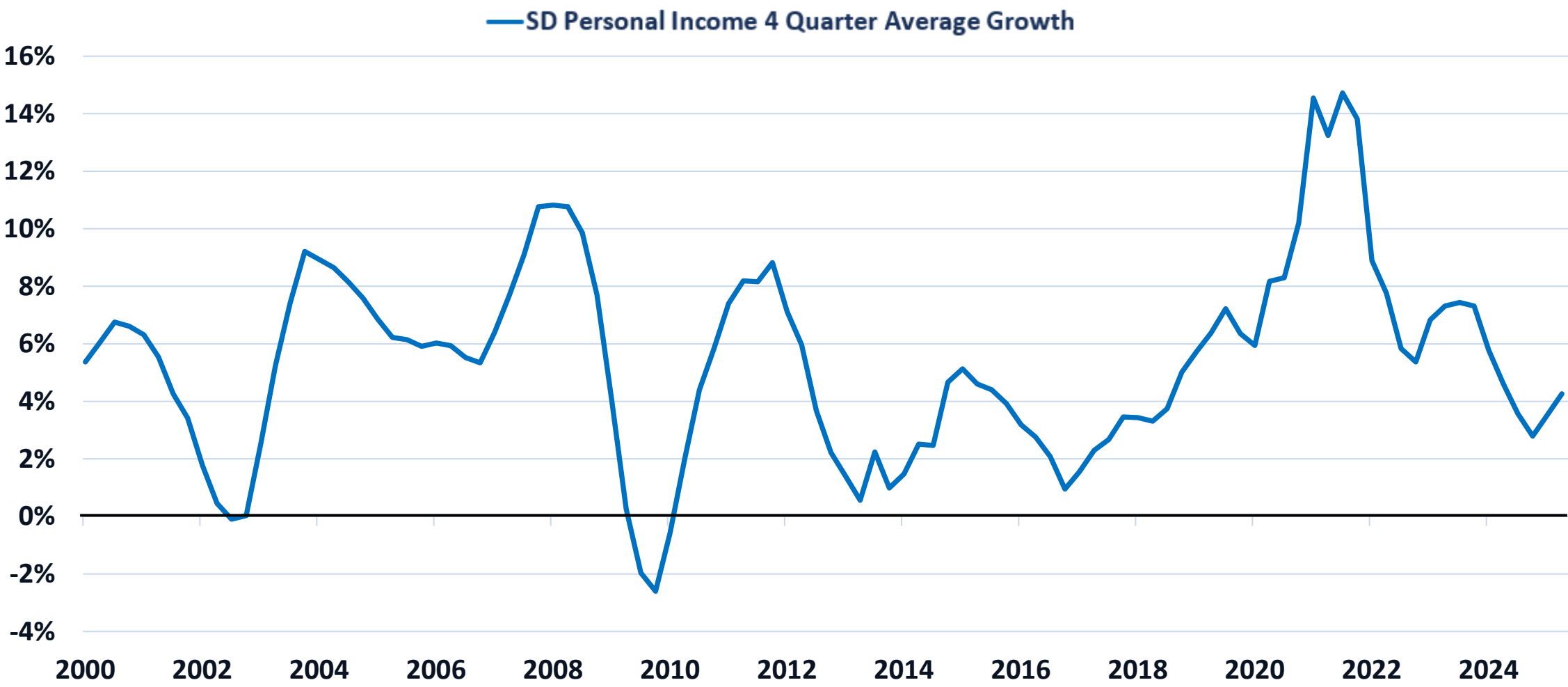




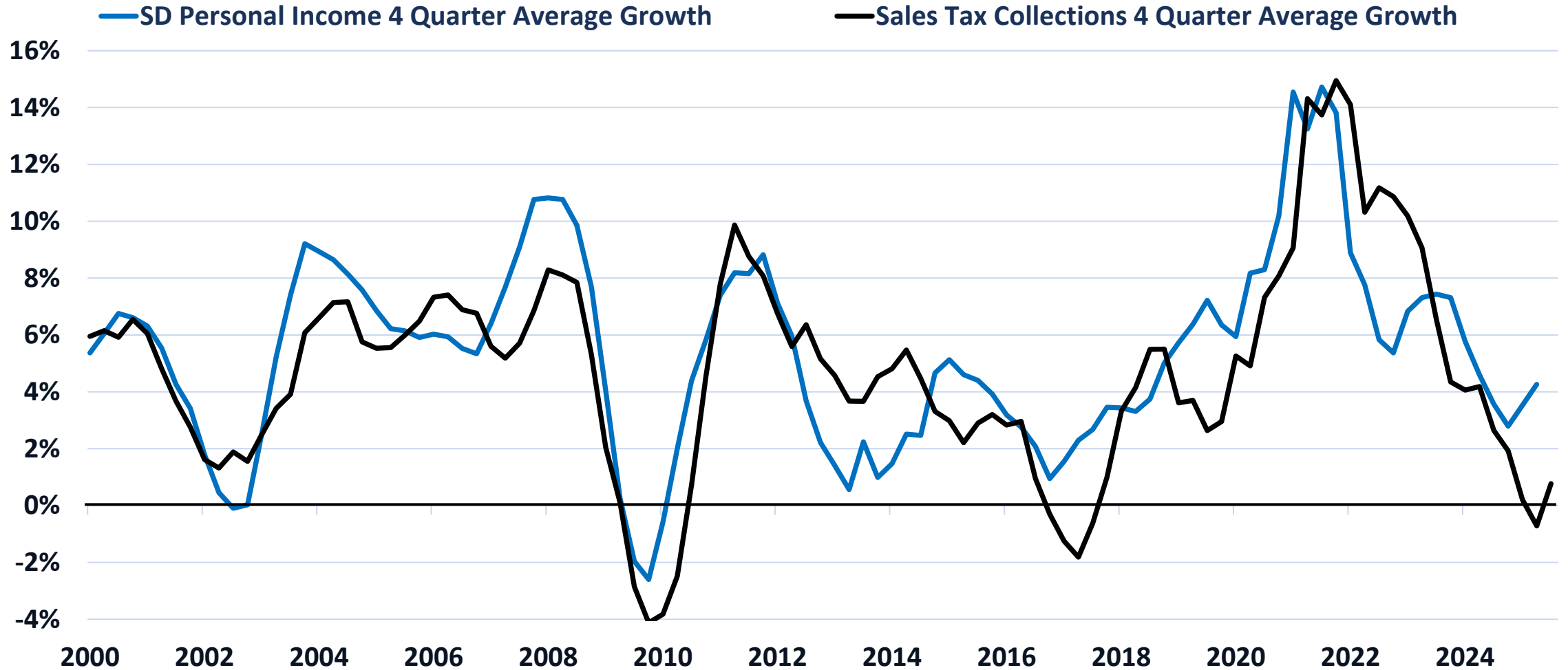
Per Capita Personal Income



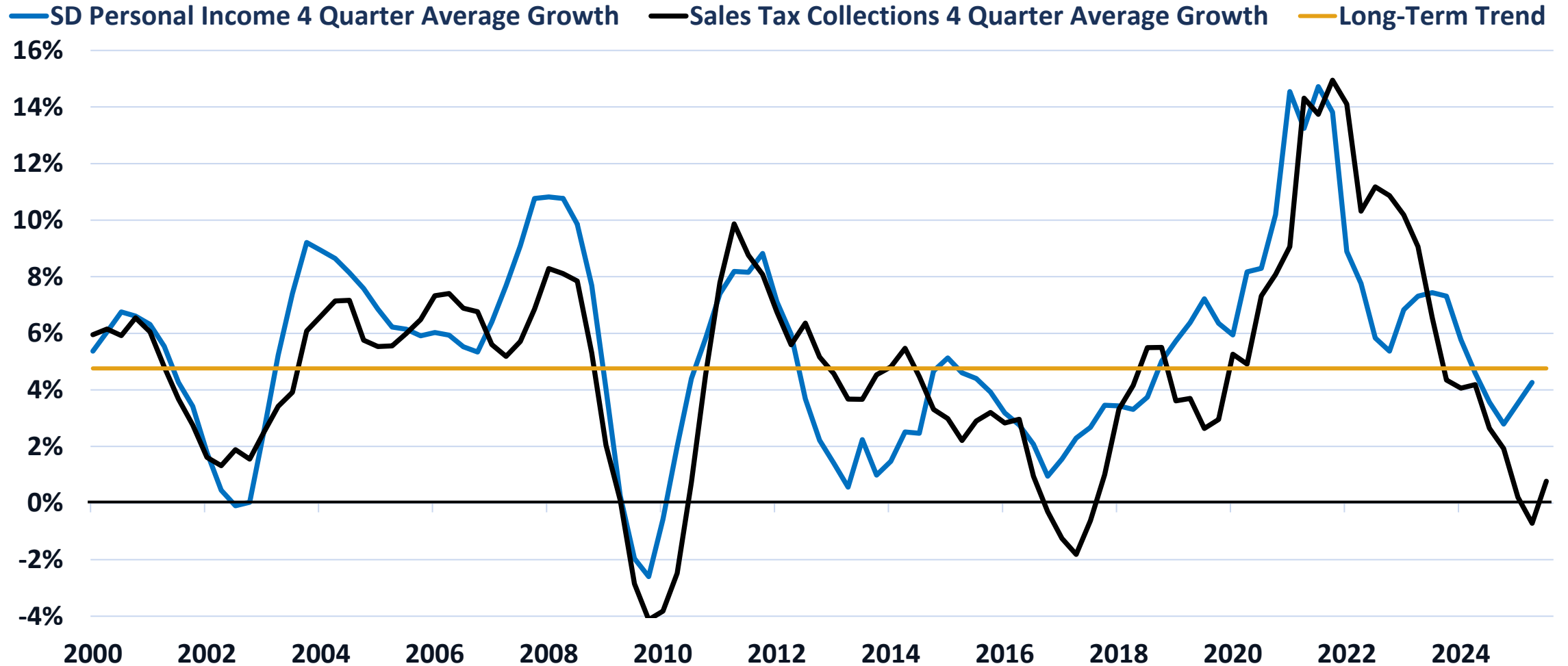
SD Personal Income



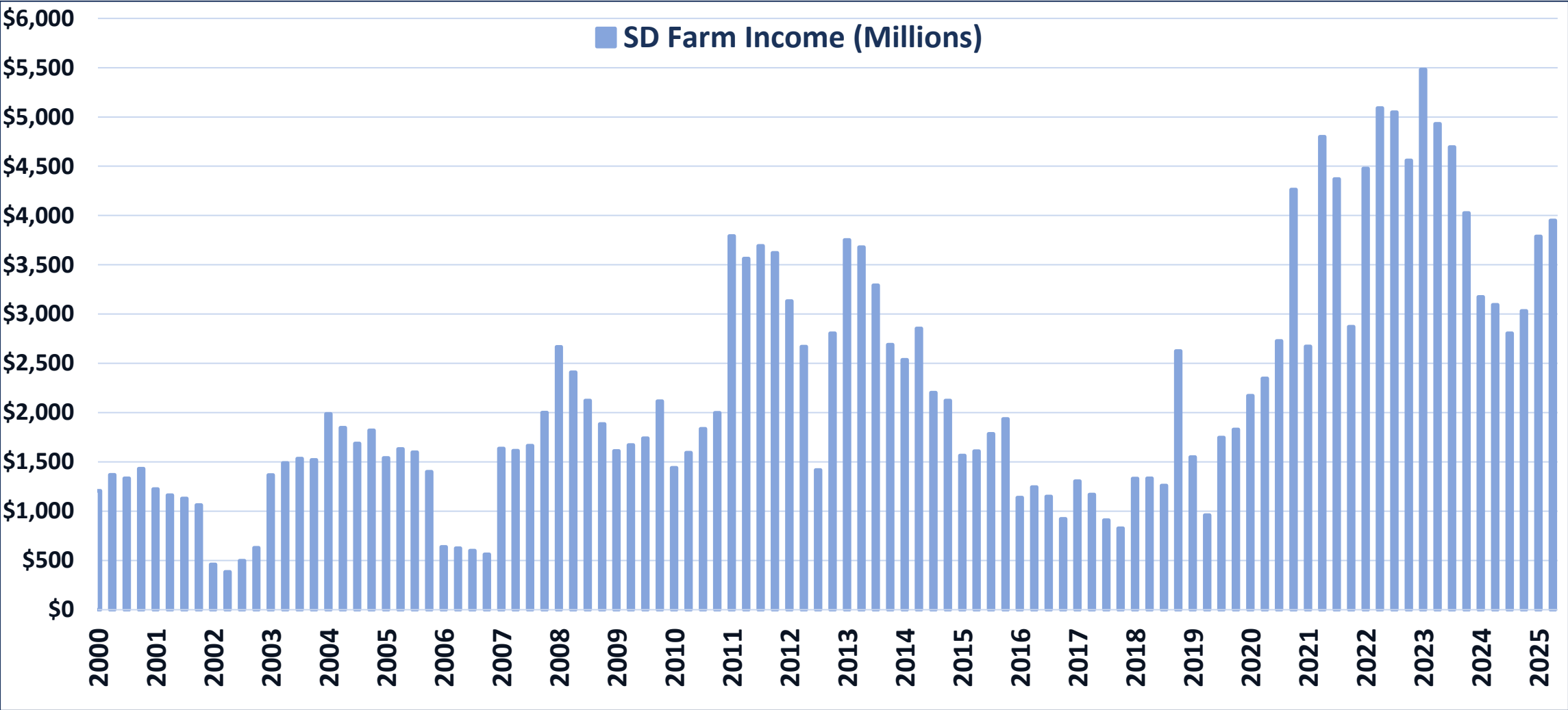
SD Personal Income vs. Sales Tax Collections



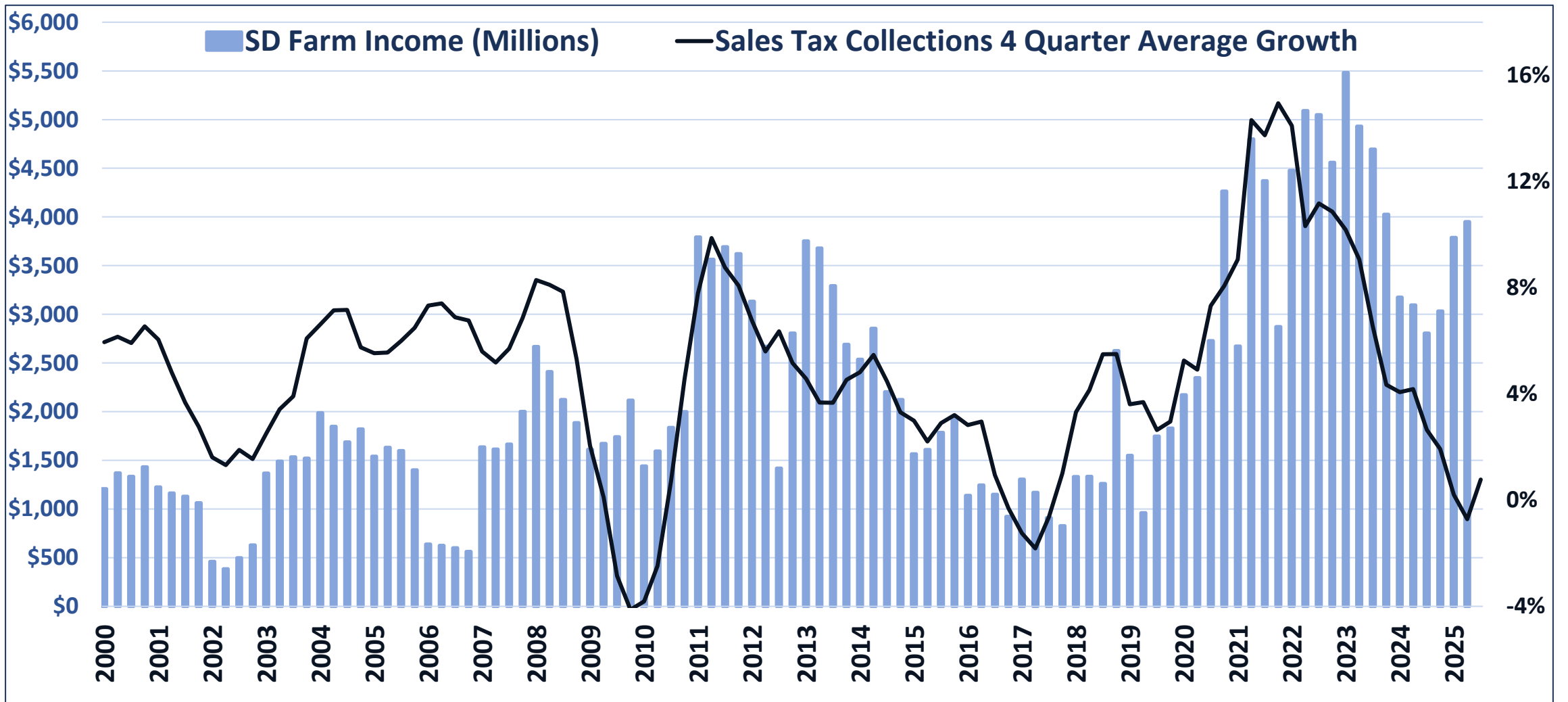
SD Personal Income vs. Sales Tax Collections



SD Farm Income

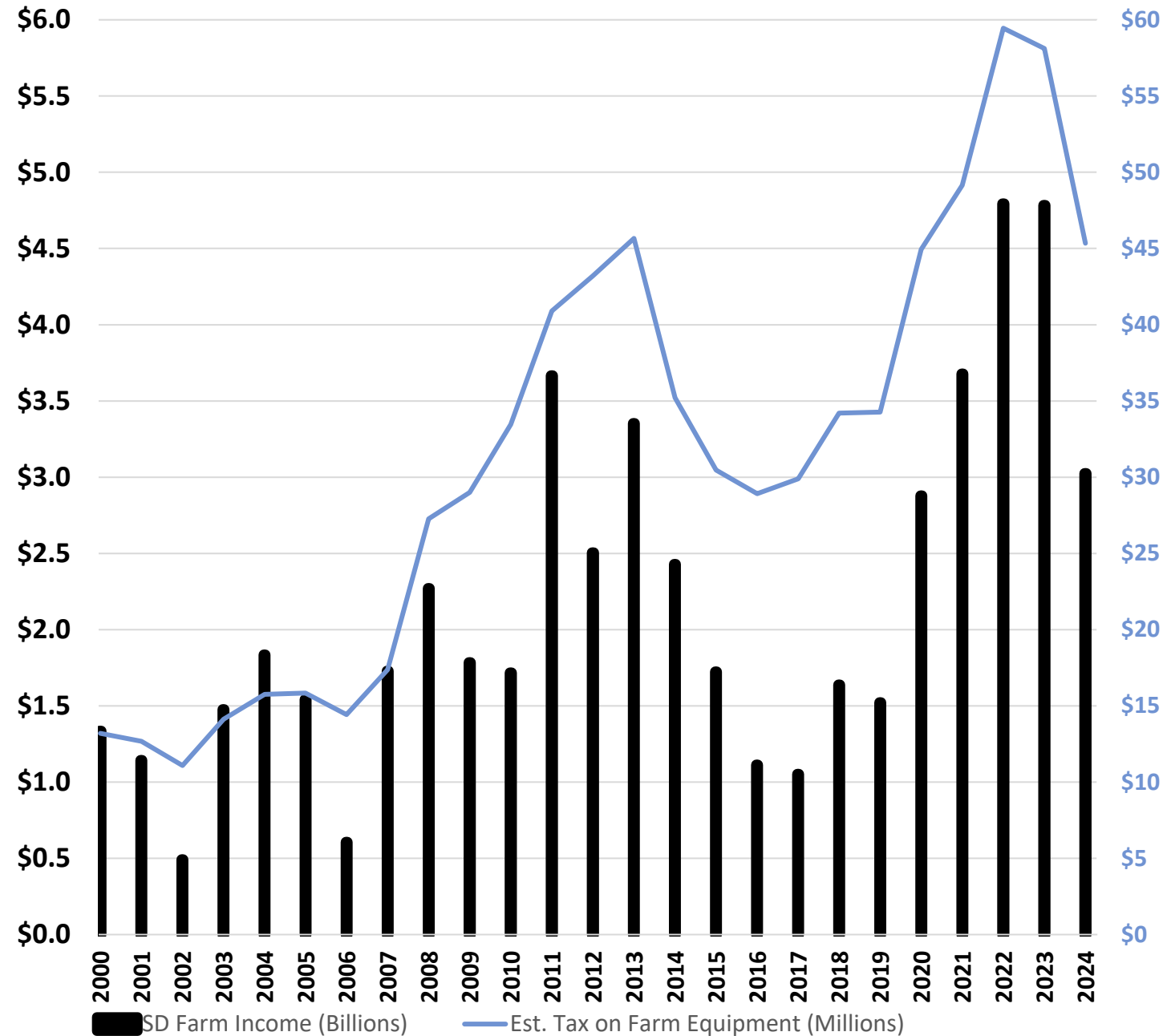


SD Farm Income vs. Sales Tax Collections



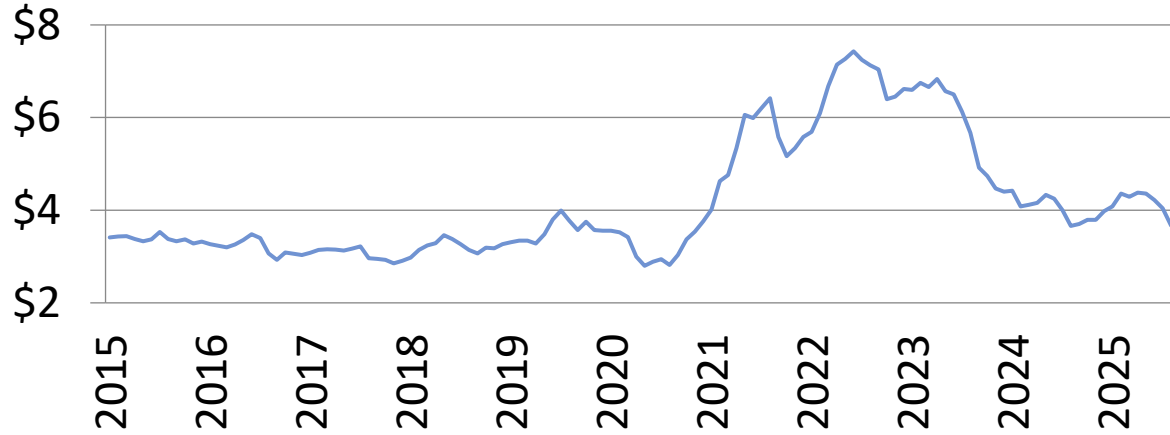


SD Farm Income & Spending on Equipment

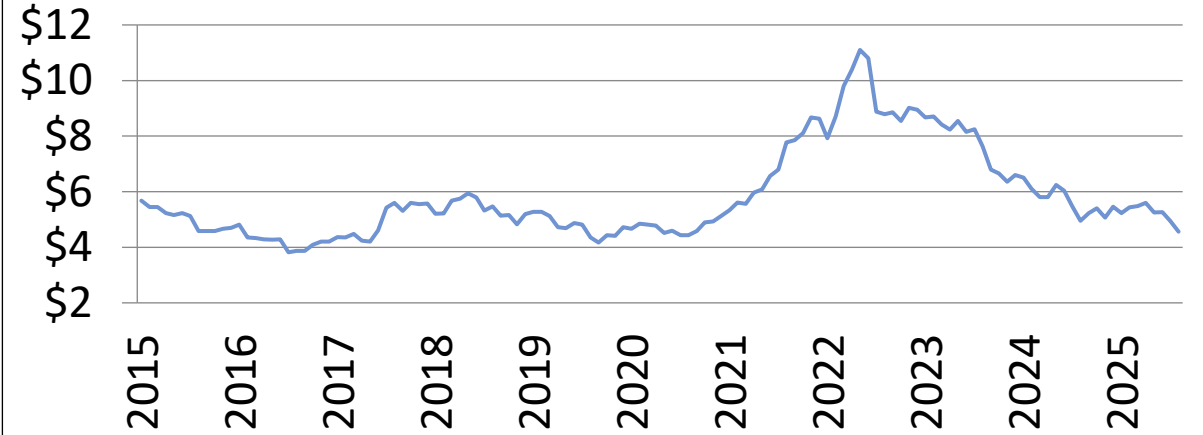


Agriculture Economy/Prices

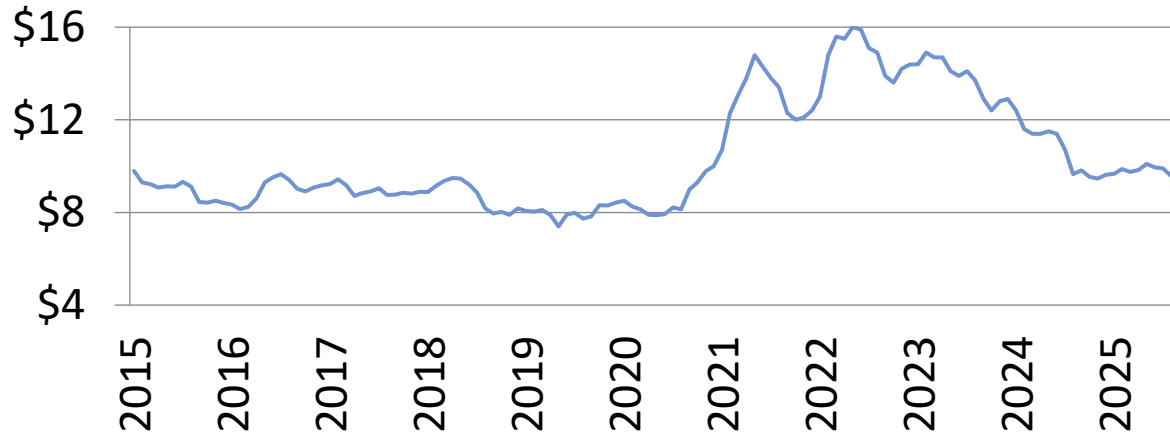
SD Corn Prices



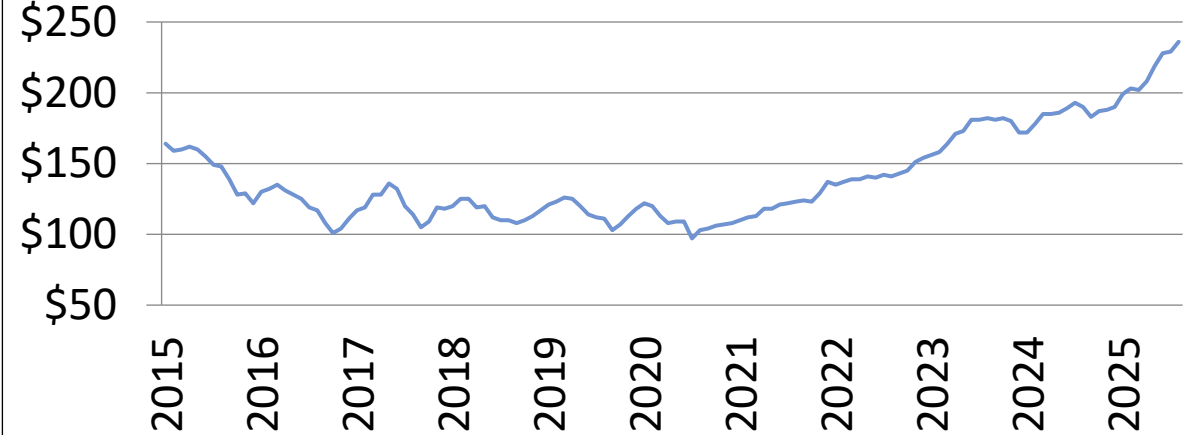
SD Wheat Prices



SD Soybean Prices

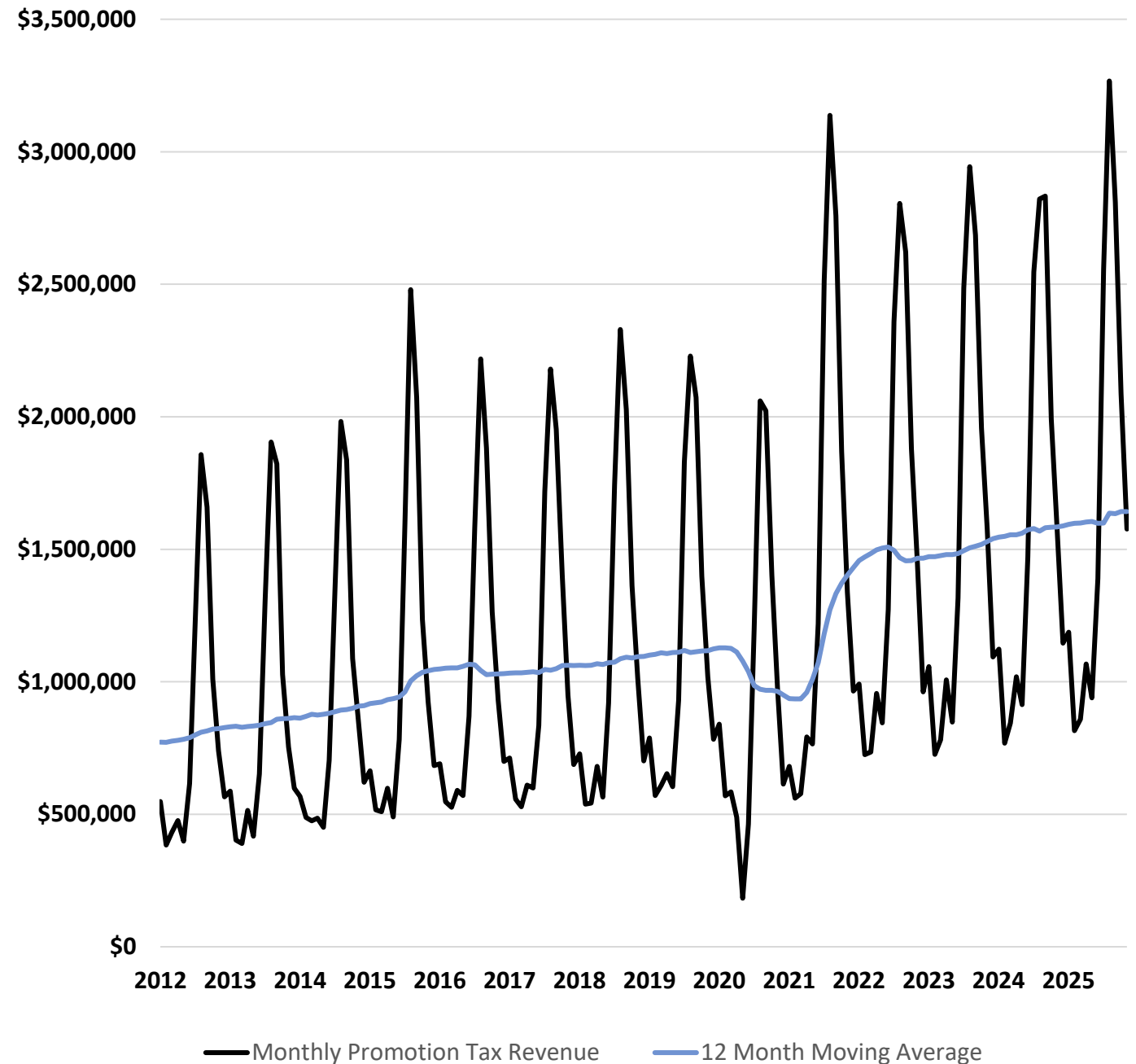


Prices Received All Beef Cattle (US) \$/cwt



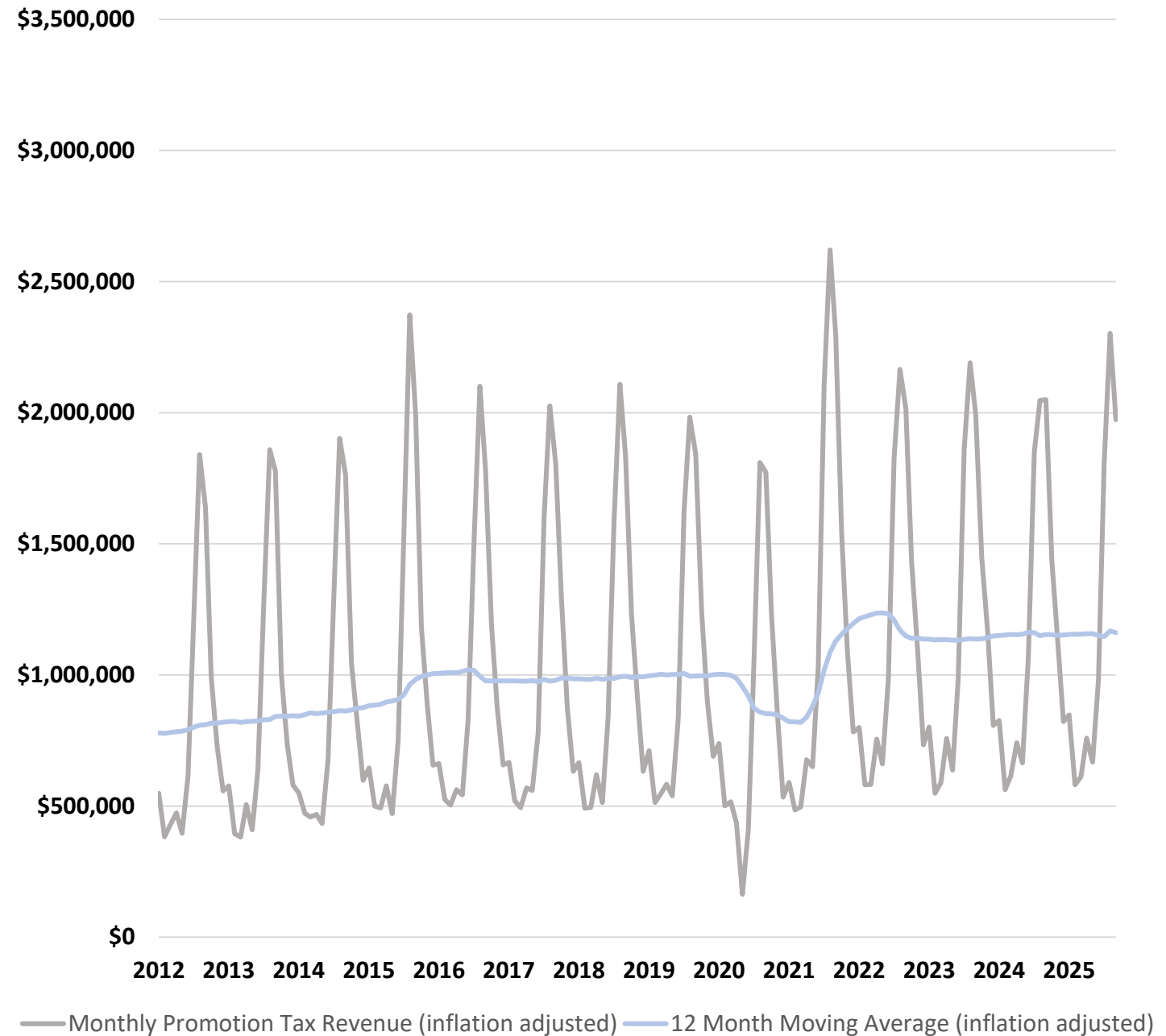


SD Tourism Promotion Tax Collections





SD Tourism Promotion Tax Collections (inflation adjusted)



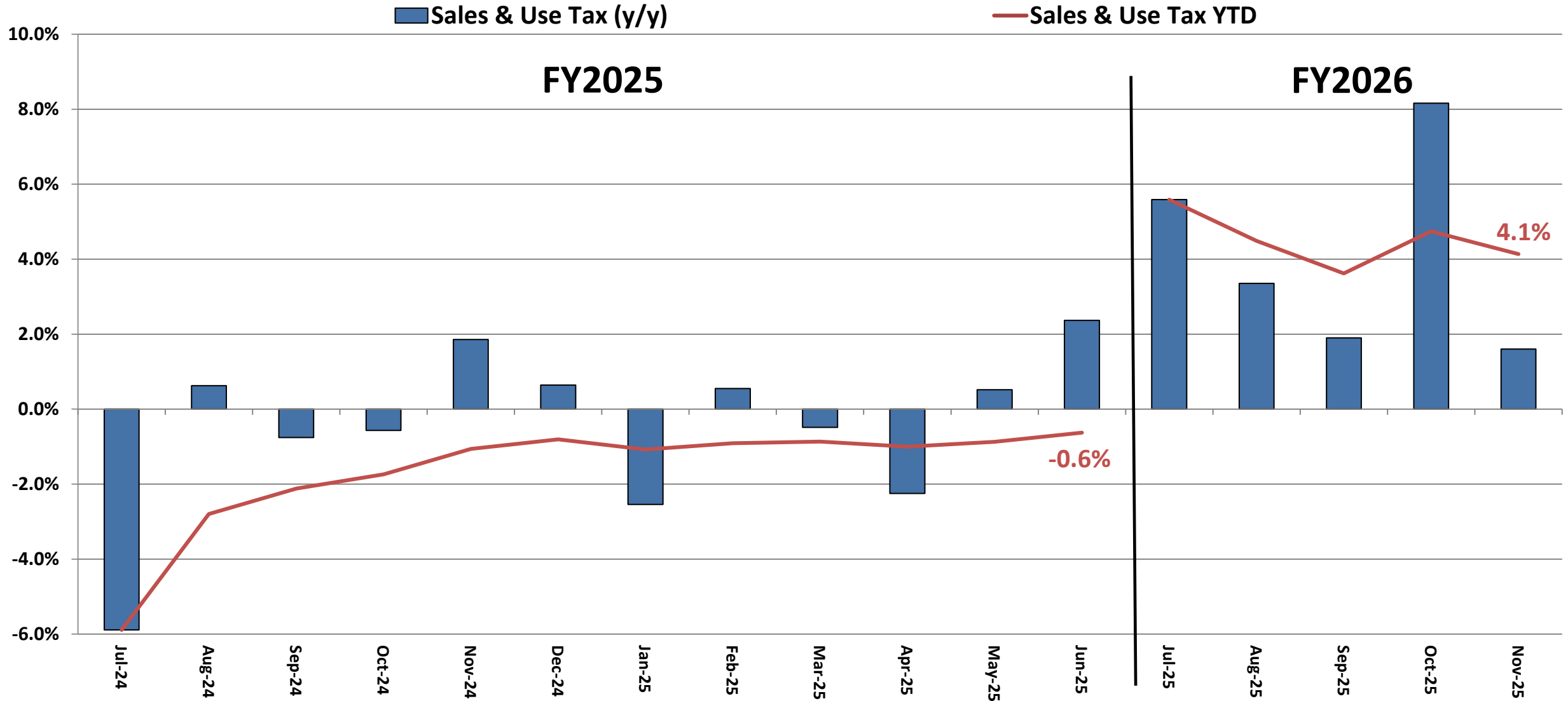
S&P Global Forecast - SD

	2020	2021	2022	2023	2024	2025 f	2026 f	2027 f	'14-'24 avg.
Real GDP Growth	1.6%	5.0%	-1.4%	3.6%	0.8%	0.9%	2.8%	2.2%	1.6%
Nonfarm Employment	-3.2%	3.4%	2.8%	2.0%	1.3%	0.9%	0.4%	0.5%	1.1%
Personal Income	10.2%	13.8%	5.4%	7.3%	2.8%	5.8%	4.7%	5.7%	5.8%
Housing Starts	6,029	7,646	7,464	5,989	5,518	5,570	5,215	4,878	5,545
Unemployment Rate	4.1%	2.5%	1.9%	1.8%	1.8%	1.9%	2.2%	2.4%	2.7%



General Fund Revenue

Sales & Use Tax Growth



Actual Revenue FY2025 vs. Actual Revenue FY2026
Year-To-Date Through NOVEMBER FY2026 Comparison



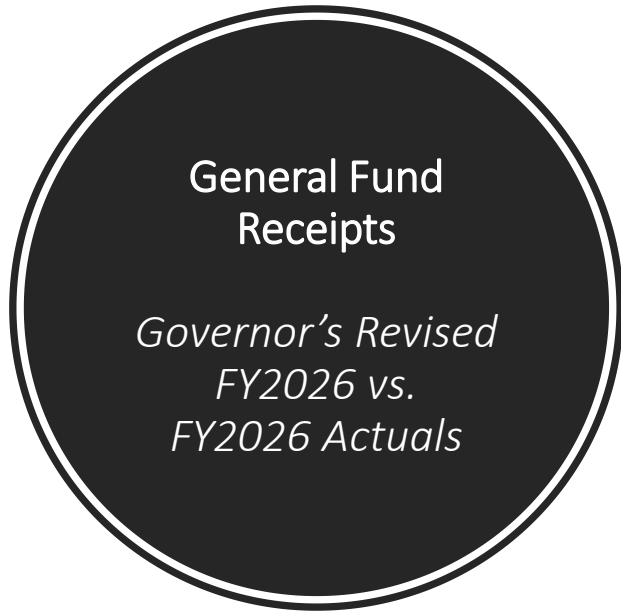
	Actual NOVEMBER YTD FY2025	Actual NOVEMBER YTD FY2026	DOLLAR CHANGE	YTD GROWTH OVER FY2025
ONGOING RECEIPTS				
Net Sales and Use Tax (excl. cost of admin)	637,170,196	663,519,398	26,349,202	4.1%
Lottery	74,148,539	75,093,725	945,186	1.3%
Net Contractor's Excise Tax	102,591,198	106,357,184	3,765,986	3.7%
Insurance Company Tax	56,357,186	61,474,190	5,117,004	9.1%
Unclaimed Property Receipts	104,792,492	61,384,827	(43,407,665)	-41.4%
Licenses, Permits, and Fees	2,046,224	11,452,802	9,406,578	459.7%
Tobacco Taxes	20,345,576	19,233,251	(1,112,325)	-5.5%
Trust Funds	35,309,002	37,307,402	1,998,400	5.7%
Net Transfers In (excluding one-time)	13,235,882	13,712,400	476,518	3.6%
Alcohol Beverage Tax	2,463,517	2,422,699	(40,817)	-1.7%
Bank Franchise Tax	4,005,241	5,121,730	1,116,489	27.9%
Charges for Goods and Services	5,037,714	4,738,421	(299,293)	-5.9%
Telecommunications Tax	732,061	1,042,998	310,937	42.5%
Severance Taxes	8,194,627	11,485,947	3,291,320	40.2%
Investment Income and Interest	95,892,631	71,791,448	(24,101,184)	-25.1%
Alcohol Beverage 2% Wholesale Tax	1,300,112	1,336,644	36,533	2.8%
SUBTOTAL (ONGOING RECEIPTS)	\$ 1,163,622,198	\$ 1,147,475,068	\$ (16,147,131)	-1.4%
ONE-TIME RECEIPTS				
Bank Franchise Tax Prior Year Revenue	216,984	25,923	(191,061)	-88.1%
One-Time Unclaimed Property	176,321,347	-	(176,321,347)	-100.0%
SUBTOTAL (ONE-TIME RECEIPTS)	\$ 176,538,331	\$ 25,923	\$ (176,512,408)	-100.0%
GRAND TOTAL	\$ 1,340,160,529	\$ 1,147,500,990	\$ (192,659,539)	-14.4%

Legislative Adopted FY2026 Estimate (Feb. 2025) vs. Actual Revenues
Year-to-Date Through NOVEMBER FY2026 Comparison



	Leg. Adopted NOVEMBER YTD FY2026	Actual NOVEMBER YTD FY2026	DOLLAR CHANGE	YTD % Chg. Actual/Adopt Comparison
ONGOING RECEIPTS				
Net Sales and Use Tax (excl. cost of admin)	662,993,888	663,519,398	525,510	0.1%
Lottery	74,981,401	75,093,725	112,324	0.1%
Net Contractor's Excise Tax	107,137,175	106,357,184	(779,991)	-0.7%
Insurance Company Tax	62,835,302	61,474,190	(1,361,112)	-2.2%
Unclaimed Property Receipts	61,384,827	61,384,827	0	0.0%
Licenses, Permits, and Fees	11,405,266	11,452,802	47,536	0.4%
Tobacco Taxes	19,675,224	19,233,251	(441,974)	-2.2%
Trust Funds	37,300,000	37,307,402	7,402	0.0%
Net Transfers In (excluding one-time)	13,742,471	13,712,400	(30,071)	-0.2%
Alcohol Beverage Tax	2,514,324	2,422,699	(91,624)	-3.6%
Bank Franchise Tax	3,510,004	5,121,730	1,611,726	45.9%
Charges for Goods and Services	5,178,983	4,738,421	(440,562)	-8.5%
Telecommunications Tax	711,319	1,042,998	331,679	46.6%
Severance Taxes	8,582,030	11,485,947	2,903,918	33.8%
Investment Income and Interest	81,276,930	71,791,448	(9,485,482)	-11.7%
Alcohol Beverage 2% Wholesale Tax	1,320,352	1,336,644	16,293	1.2%
SUBTOTAL (ONGOING RECEIPTS)	\$ 1,154,549,495	1,147,475,068	\$ (7,074,427)	-0.6%
ONE-TIME RECEIPTS				
Bank Franchise Tax Prior Year Revenue	-	25,923	25,923	N/A
SUBTOTAL (ONE-TIME RECEIPTS)	\$ 0	\$ 25,923	\$ 25,923	N/A
GRAND TOTAL	\$ 1,154,549,495	\$ 1,147,500,990	\$ (7,048,505)	-0.6%

**Governor's Revised FY2026 Estimate (Nov. 2025) vs. Actual Revenues
Year-To-Date Through NOVEMBER FY2026 Comparison**



	Gov. Revised NOVEMBER YTD FY2026	Actual NOVEMBER YTD FY2026	DOLLAR CHANGE	YTD % Chg. Actual/Revised Comparison
ONGOING RECEIPTS				
Net Sales and Use Tax (excl. cost of admin)	662,575,652	663,519,398	943,746	0.1%
Lottery	74,587,813	75,093,725	505,912	0.7%
Net Contractor's Excise Tax	106,658,341	106,357,184	(301,157)	-0.3%
Insurance Company Tax	61,257,266	61,474,190	216,924	0.4%
Unclaimed Property Receipts	61,384,827	61,384,827	0	0.0%
Licenses, Permits, and Fees	11,937,191	11,452,802	(484,388)	-4.1%
Tobacco Taxes	19,147,578	19,233,251	85,672	0.4%
Trust Funds	37,307,402	37,307,402	0	0.0%
Net Transfers In (excluding one-time)	13,688,998	13,712,400	23,402	0.2%
Alcohol Beverage Tax	2,429,089	2,422,699	(6,390)	-0.3%
Bank Franchise Tax	5,494,150	5,121,730	(372,420)	-6.8%
Charges for Goods and Services	4,987,882	4,738,421	(249,461)	-5.0%
Telecommunications Tax	1,028,284	1,042,998	14,715	1.4%
Severance Taxes	12,186,600	11,485,947	(700,652)	-5.7%
Investment Income and Interest	71,788,739	71,791,448	2,709	0.0%
Alcohol Beverage 2% Wholesale Tax	1,340,793	1,336,644	(4,149)	-0.3%
SUBTOTAL (ONGOING RECEIPTS)	\$ 1,147,800,604	\$ 1,147,475,068	\$ (325,537)	0.0%
ONE-TIME RECEIPTS				
Bank Franchise Tax Prior Year Revenue	25,923	25,923	0	0.0%
SUBTOTAL (ONE-TIME RECEIPTS)	\$ 25,923	\$ 25,923	\$ -	0.0%
GRAND TOTAL	\$ 1,147,826,527	\$ 1,147,500,990	\$ (325,537)	0.0%