

Missouri Department of Revenue

Taxes Administered

Fiscal Year Ended June 30, 2008

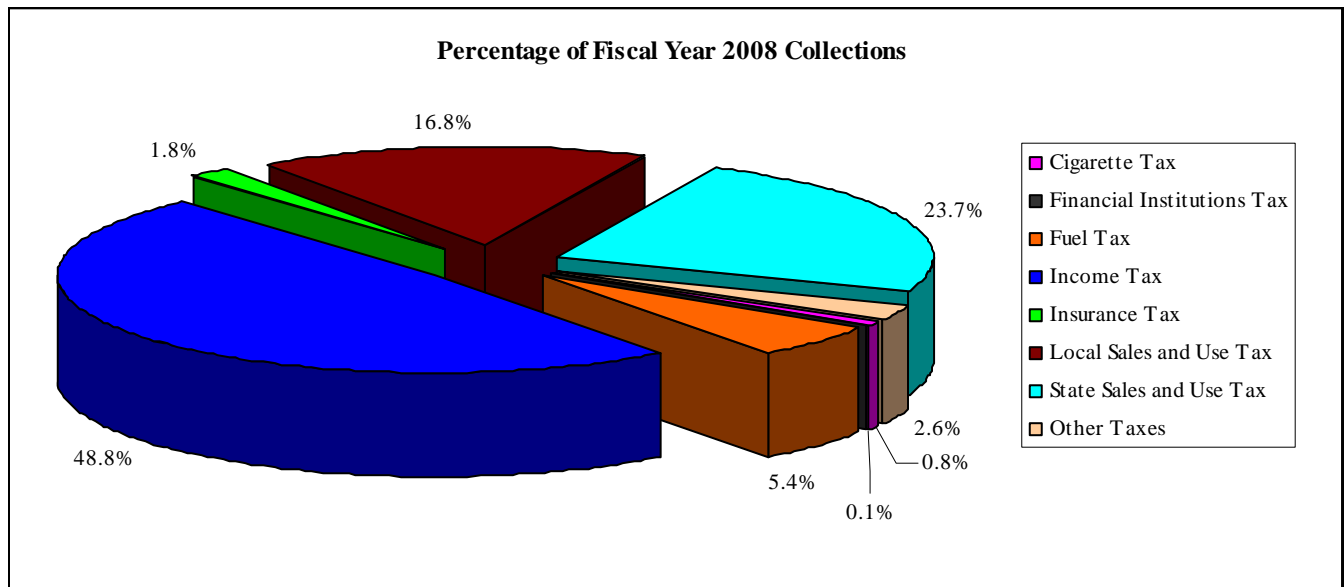
The Taxes Administered schedules provide a brief description of the tax and a breakdown of the types of collections included in each tax. Also included are schedules that depict comparative data on taxes administered by the Department of Revenue.



SUMMARY OF TAXES ADMINISTERED

	FY08 Amount Collected	FY07 Amount Collected	Percent Increase/ Decrease
Cigarette Tax	\$115,661,014	\$115,394,219	0.2 %
Financial Institutions Tax	13,571,410	9,544,007	42.2
Fuel Tax	742,177,802	744,154,322	-0.3
Income Tax	6,732,576,614	6,368,529,819	5.7
Insurance Tax	255,299,419	213,639,116	19.5
Local Sales and Use Tax	2,311,806,597	2,206,008,170	4.8
State Sales and Use Tax	3,266,917,096	3,317,153,244	-1.5
Other Taxes	362,295,945	354,114,033	2.3
Total Collections	\$13,800,305,897	\$13,328,536,930	3.5 %

Fiscal Year 2007 State Sales and Use Tax was restated.



CIGARETTE TAX

Cigarette Tax

This is a tax on the sale of cigarettes paid by the wholesaler and passed on to the final purchaser. The tax is authorized by Section 149.015, RSMo. The tax rate is 8 ½ mills per cigarette or 17 cents per pack of 20. Disposition of the tax is to the State School Money Fund (4 ½ mills per cigarette), the Fair Share Fund (2 mills per cigarette), and the Health Initiatives Fund (2 mills per cigarette).

St. Louis County Cigarette Tax

This is a tax on the sale of cigarettes paid by the wholesaler and passed on to the final purchaser. The tax is authorized by Section 66.340, RSMo. The tax rate is 2 ½ mills per cigarette or 5 cents per pack of 20. Disposition of the tax is 99 percent to St. Louis County and municipalities within the county and 1 percent to the General Fund.

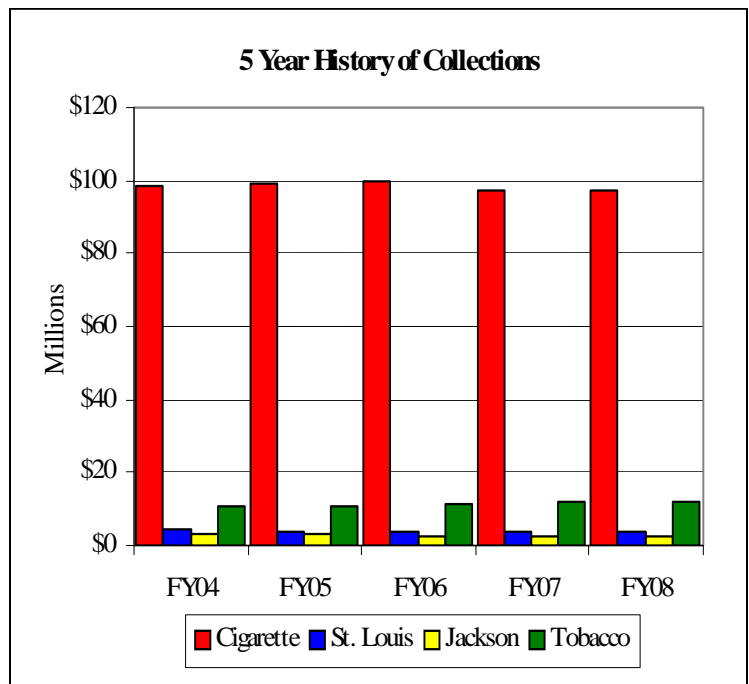
Jackson County Cigarette Tax

This is a tax on the sale of cigarettes paid by the wholesaler and passed on to the final purchaser. The tax is authorized by Section 210.320, RSMo. The tax rate is 2 ½ mills per cigarette or 5 cents per pack of 20. Disposition of the tax is 99 percent to Jackson County and 1 percent to the General Fund.

Other Tobacco Products Tax

This is a tax levied upon the first sale of tobacco products, other than cigarettes, within the state. The tax is authorized by Section 149.160, RSMo. The tax rate is 10 percent of the manufacturer's invoice price. Disposition of the tax is to the Health Initiatives Fund.

Tax Type	FY08 Amount Collected	Percent Increase/ Decrease from FY07
Cigarette	\$97,150,389	0.2 %
St. Louis County	3,660,492	-2.2
Jackson County	2,635,311	-5.0
Tobacco Products	12,214,822	2.5
Total Collections	\$115,661,014	0.2 %



FINANCIAL INSTITUTIONS TAX

Banks

This is a tax for the privilege of operating a bank in Missouri. The tax is authorized by Section 148.030, RSMo. The tax rate is 7 percent of net income. Disposition of the tax is 98 percent to home political subdivisions and 2 percent to the General Fund.

Credit Institutions

This is a tax for the privilege of operating a consumer credit or loan business in Missouri. The tax is authorized by Section 148.140, RSMo. The tax rate is 7 percent of net income. Disposition of the tax is 98 percent to home political subdivisions and 2 percent to the General Fund.

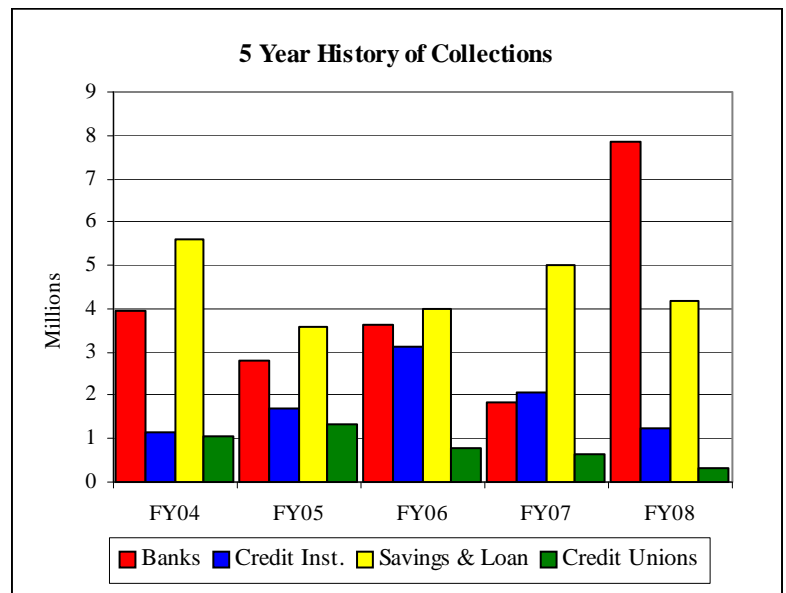
Savings and Loan Associations

This is a tax for the privilege of operating a savings and loan association in Missouri. The tax is authorized by Section 148.620, RSMo. The tax rate is 7 percent of net income. Disposition of the tax is 98 percent to home political subdivisions and 2 percent to the General Fund.

Credit Unions

This is a tax for the privilege of operating a credit union in Missouri. The tax is authorized by Section 148.620, RSMo. The tax rate is 7 percent of net income. Disposition of the tax is 98 percent to home political subdivisions and 2 percent to the General Fund.

<u>Tax Type</u>	<u>FY08 Amount Collected</u>	<u>Percent Increase/ Decrease from FY07</u>
Banks	\$7,831,428	324.6 %
Credit Institution	1,247,111	-39.3
Savings & Loan	4,187,535	-16.4
<u>Credit Unions</u>	<u>305,336</u>	<u>-52.1</u>
<u>Total Collections</u>	<u>\$13,571,410</u>	<u>42.2 %</u>



FUEL TAX

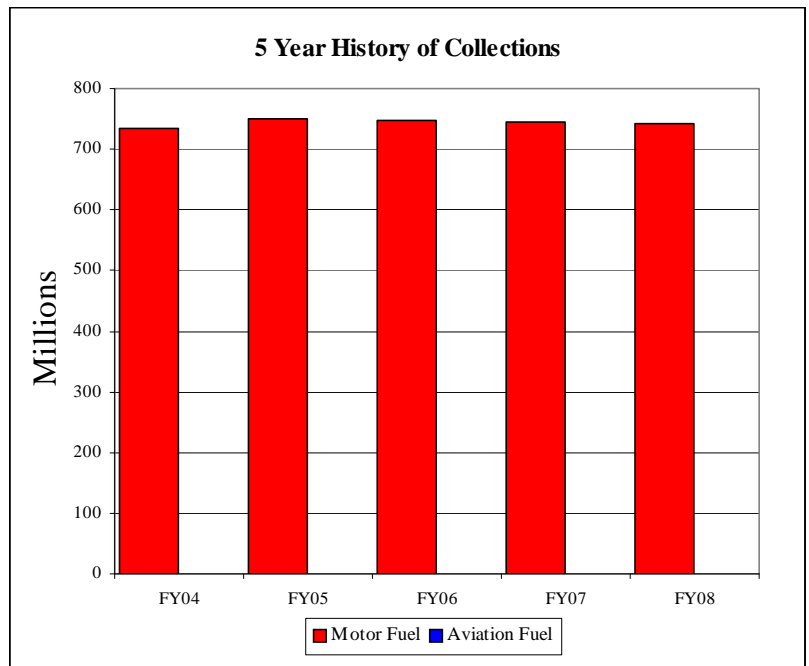
Aviation Fuel

This is a use tax on each gallon of aviation fuel used in propelling aircraft with reciprocating engines. The tax is authorized by Sections 155.080 and 155.090, RSMo. The tax rate is 9 cents per gallon. Disposition of the tax is to the Aviation Trust Fund.

Motor Fuel

This is a tax on the sale of motor fuel (gasoline, diesel, and blends) paid by the fuel supplier and passed on to the final consumer. The tax is authorized by Section 142.803, RSMo. The tax rate is 17 cents per gallon. Disposition of the tax is through the Motor Fuel Tax Fund to the State Highways and Transportation Department Fund and to the agency fund Fuel Tax and Bonds Non-State Fund for distribution to all counties and incorporated cities.

<u>Tax Type</u>	<u>FY08 Amount Collected</u>	<u>Percent Increase/ Decrease from FY07</u>
Aviation Fuel	\$343,894	2.2 %
Motor Fuel	741,833,908	-0.3
<u>Total Collections</u>	<u>\$742,177,802</u>	<u>-0.3 %</u>



INCOME TAX

Individual

This is a tax on the taxable income of Missouri residents and on taxable income earned in Missouri by non-residents. The tax is authorized by Section 143.011, RSMo. The tax rate is from 1½ percent to 6 percent of taxable income. Disposition of the tax is to the General Fund except those funds dedicated to the Missouri Community College Job Training Program Fund as required by Section 178.896, RSMo or the Missouri Community College Job Retention Training Program Fund as required by Section 178.764, RSMo.

Corporation/Franchise

The corporation income tax, authorized by Section 143.071, RSMo, is a tax on a corporation's taxable income from Missouri sources. The rate is 6¼ percent of taxable income. Disposition of the tax is to the General Fund.

The corporation franchise tax, authorized by Chapter 147, RSMo, is a tax on all in- and out-of-state corporations based on assets apportioned to Missouri. The tax rate is .0333 percent of total assets or capital stock of a corporation. Disposition of the tax is to the General Fund.

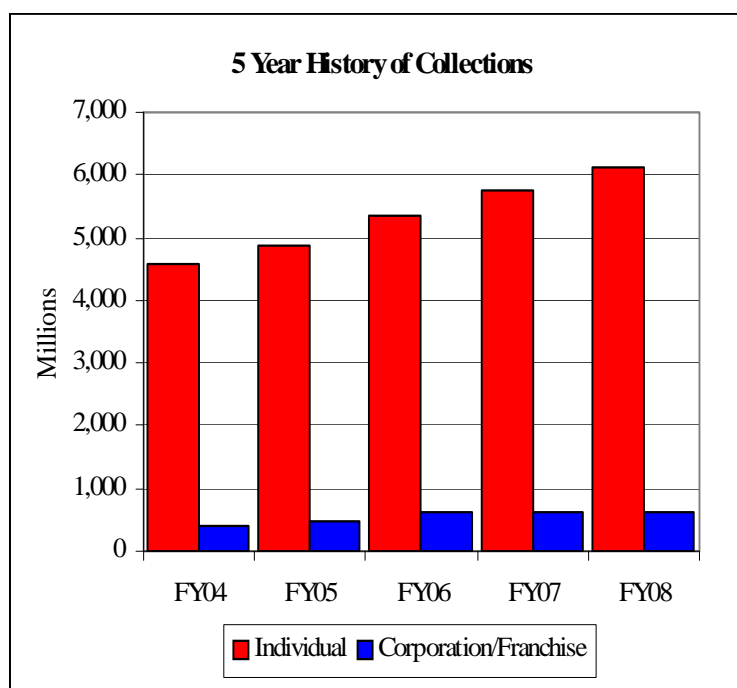
Declaration, as defined by Section 143.521, RSMo, is the amount the taxpayer estimates to be his income tax for the taxable year.

Fiduciary, as defined by Section 143.501, RSMo, is the income tax filed by a person charged with the care of another's property due to a death or disability.

Return, as defined by Section 143.511, RSMo, is the tax owed as determined by completing the appropriate income tax form for the taxpayer's taxable year.

Withholding, as defined by Section 143.191, RSMo, is the tax an employer deducts and withholds from employees' wages each pay period.

Tax Type	FY08 Amount Collected	Percent Increase/ Decrease from FY07
Individual		
Declarations	\$860,454,315	11.5 %
Fiduciary	72,105,853	34.4
Returns	804,487,527	4.0
Withholding	4,373,125,413	6.0
College Job Training	4,362,608	-12.3
College Job Retention	4,554,842	-13.7
Subtotal	\$6,119,090,558	6.7 %
Corporation/Franchise		
Declarations	\$376,928,280	0.4 %
Returns	236,557,776	-7.7
Subtotal	\$613,486,056	-2.9 %
Total Collections	\$6,732,576,614	5.7 %



INSURANCE TAX

Captive Insurance

This is a tax on direct premiums received by captive insurance companies. The tax is authorized by Section 379.1326, RSMo.

The tax rate is a percentage of collections in \$20 million increments. The annual minimum and maximum aggregate tax paid by a captive insurance company is \$7,500 and \$200,000 respectively. Disposition of the tax is to the General Fund.

Premium Tax (Foreign)

This is a tax on direct premiums received in Missouri by companies not organized under the laws of Missouri. Retaliatory tax is included. The tax is authorized by Sections 148.310 to 148.461, RSMo. The tax rate is 2 percent of net premiums collected. Disposition of the tax is to the General Fund.

Premium Tax (Domestic)

This is a tax on direct premiums received in Missouri by companies organized under the laws of Missouri. The tax is authorized by Sections 148.310 to 148.461, RSMo. The tax rate is 2 percent of net premiums collected. Disposition of the tax is through the agency fund County and Other Miscellaneous Non-State Fund to school districts and the General Fund.

Surplus Lines of Insurance Tax Interest and Penalties

This is a tax on brokers for the privilege of doing business in Missouri. The tax is authorized by Section 384.051, RSMo. The tax rate is 5 percent of net premiums. Disposition of the tax is to the General Fund. Disposition of the interest and penalties is to the State Schools Money Fund.

Tax Type	FY08 Amount Collected	Percent Increase/ Decrease from FY07
Captive Insurance	\$39,600	100.0 %
Premium (Foreign)	209,554,552	5.2
Premium (Domestic)	6,026,318	-23.9
Surplus Lines	25,732,580	13,199.3
Workers Compensation	13,945,412	121.7
Second Injury	957	-96.6
Total Collections	\$255,299,419	19.5 %

Executive Order 07-06 transferred the collection of the surplus lines tax function from the Missouri Department of Insurance, Financial Institutions, and Professional Registration to the Department of Revenue effective August 28, 2007. Prior to the Executive Order, the Department of Revenue was responsible for the collection of interest and penalties.

See next page for a description of additional tax types and a graph comparing 5 years of collections.

INSURANCE TAX

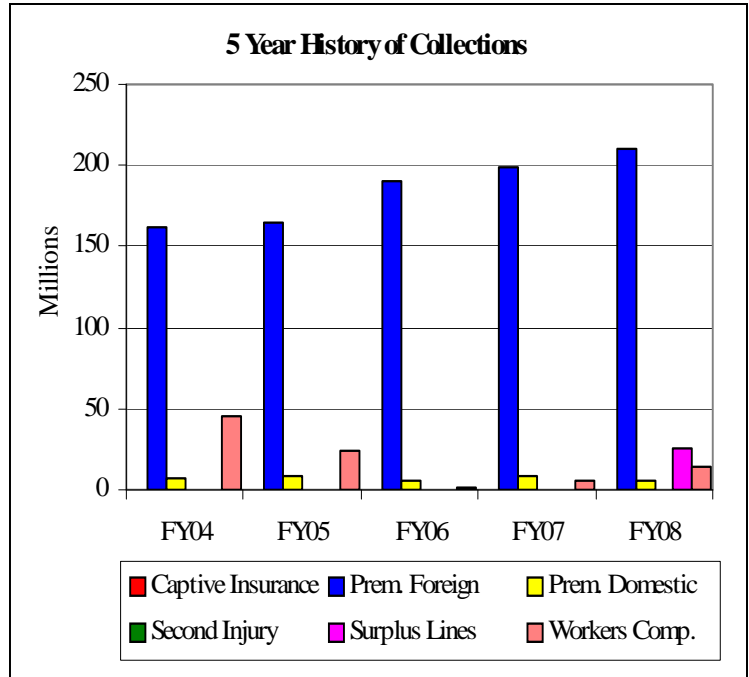
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Workers' Compensation Insurance

This is a tax on net premiums or net deposits on insurance companies and self-insurers. The tax is authorized by Section 287.690, RSMo. The tax rate, not to exceed 2 percent, is set by the Director of the Division of Workers' Compensation. The Director set the tax rate at 1 percent for calendar year 2007 and 1 percent for calendar year 2008. Disposition of the tax is to the Workers' Compensation Fund and the Second Injury Fund for support of the Division of Workers' Compensation.

Second Injury

This is a surcharge on insurance companies and self-insurers for the purpose of providing revenue for the Second Injury Fund. The tax is authorized by Section 287.715, RSMo. The tax rate is set at and calculated against a percentage of the policyholder's or self-insurer's workers' compensation net deposits, net premiums, or net assessments of the previous year. The Department of Labor and Industrial Relations began collecting the second-injury tax in Fiscal Year 2006. Department of Revenue collections in Fiscal Year 2008 are the result of amended returns.



LOCAL SALES AND USE TAX

Local Sales Tax

This is a local political subdivision sales tax with a base the same as the state sales tax. Various state laws (primarily Chapters 67, 92, and 94 RSMo), authorize local political subdivisions to enact local sales taxes if approved by a specified percentage of the voters. The tax rates vary. Disposition of the tax is 99 percent to the taxing jurisdiction and 1 percent to the General Fund.

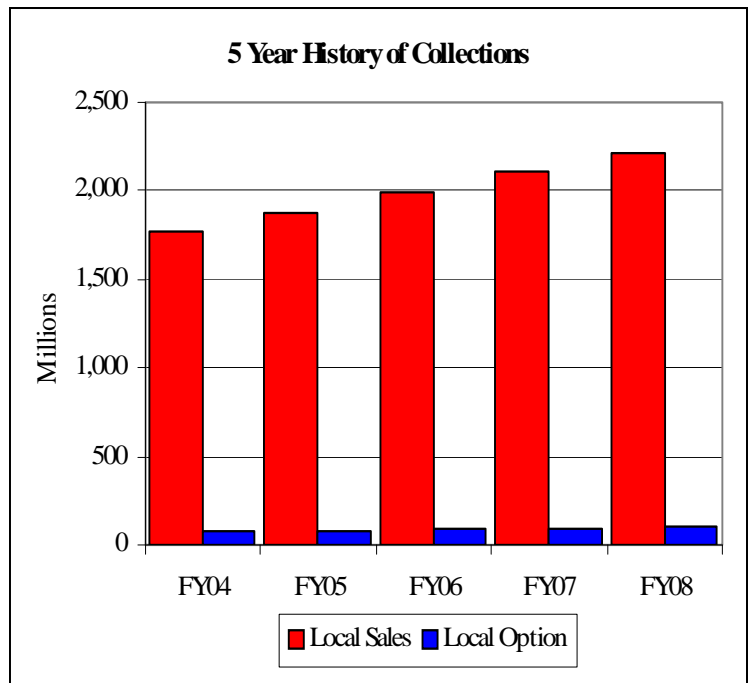
Tax Type	FY08 Amount Collected	Percent Increase/ Decrease from FY07
Local Sales	\$2,212,091,138	4.7 %
Local Option Use	99,715,459	7.4
Local Use	0	-100.0
Total Collections	\$2,311,806,597	4.8 %

Local Option Use Tax

This is a local use tax with a rate equal to the rate of the local sales tax in effect. The tax is authorized by Section 144.757, RSMo. Disposition of the tax is 99 percent to the taxing jurisdiction and 1 percent to the General Fund.

Local Use Tax

This was a local use tax with a base the same as the state use tax. The tax was authorized by Section 144.748, RSMo. The tax rate was 1½ percent. Disposition of the tax was 99 percent to the taxing jurisdiction and 1 percent to the General Fund. On March 26, 1996, the Missouri Supreme Court ruled the local use tax invalid. The Department of Revenue ceased collecting the tax with the April 1996 returns. The state General Assembly approved a new local option use tax effective for Fiscal Year 1997 and subsequent fiscal years.



STATE SALES AND USE TAX

General Sales and Use Tax

General Sales Tax

Authorized by Section 144.020, RSMo, this is a 3 percent tax on the purchase price of tangible personal property or services sold at retail, excluding exemptions. Disposition of the tax is to the General Fund. Retail sales of food are exempt from this 3 percent tax as defined in Section 144.014, RSMo.

General Use Tax

Authorized by Section 144.610, RSMo, this is a 3 percent tax on the value of tangible personal property purchased outside the state for the privilege of storing, using, or consuming that property within the state, excluding exemptions. Disposition of the tax is to the General Fund.

Aviation Jet Fuel Sales Tax

This is a sales tax paid on the sale of aviation jet fuel. Section 144.805, RSMo, authorizes the state portion (3 percent) collected on the sale of aviation jet fuel to be deposited in the Aviation Trust Fund, up to a maximum of \$10 million per calendar year.

Conservation Sales and Use Tax

This is an additional state sales and use and motor vehicle sales tax. The tax is authorized by Article IV, Section 43, of the Constitution of Missouri. The tax rate is one-eighth of 1 percent. Disposition of the tax is to the Conservation Commission Fund.

Education Sales and Use Tax

This is an additional "Proposition C" state sales and use and motor vehicle sales tax. The tax is authorized by Section 144.701, RSMo. The tax rate is 1 percent. Disposition of the general education sales and use tax is 100 percent to the School District Trust Fund.

Tax Type	FY08 Amount Collected	Percent Increase/ Decrease from FY07
General	\$1,973,768,894	-0.3 %
Aviation Jet Fuel	7,413,601	14.6
Conservation		
State Sales and Use	92,454,016	1.5
Motor Vehicle Sales	10,491,063	-14.6
Education		
State Sales and Use	735,849,946	0.6
Motor Vehicle Sales	67,531,342	-17.0
Highway Use	67,059,230	-3.1
Parks and Soils		
State Sales and Use	73,961,481	1.5
Motor Vehicle Sales	8,392,881	-14.6
Vehicle	229,994,642	-12.7
Total Collections	\$3,266,917,096	-1.5 %

Fiscal Year 2007 collections were restated.

According to Article IV, Section 30 (b) 2, Missouri Constitution, disposition of the motor vehicle education sales tax is 50 percent to the School District Trust Fund and 50 percent to funds dedicated for highway and transportation use. These highway and transportation funds are the State Road Fund (73 percent), the State Transportation Fund (2 percent), and the agency fund, Fuel Tax and Bonds Non-state Fund (25 percent) which distributes its portion to cities and counties.

See next page for descriptions of additional tax types and a graph comparing 5 years of collections.

STATE SALES AND USE TAX

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Highway Use Tax

This is a tax on vehicles purchased out of the state and titled in Missouri or a tax on the sale of a vehicle between individuals within Missouri. The tax is authorized by Section 144.440, RSMo. The tax rate is 4 percent. Disposition of the tax is to the State Highways and Transportation Department Fund (3 percent original tax) and various funds dedicated for highway and transportation use (1 percent tax increase). These highway and transportation funds are the State Road Fund (75 percent), and the agency fund, Fuel Tax and Bonds Non-State Fund (25 percent), which distributes its portion to cities and counties.

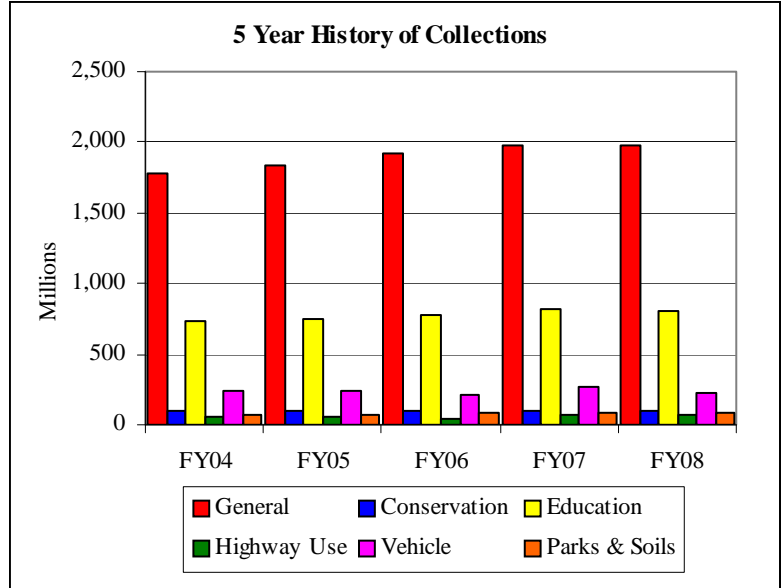
Parks, Soils, and Water Sales and Use Tax

This is an additional state sales and use and motor vehicle sales tax. The tax is authorized by Article IV, Section 47, of the Constitution of Missouri. The tax rate is one-tenth of 1 percent. Disposition of the tax is 50 percent to the Parks State Sales Tax Fund and 50 percent to the Soils and Water State Sales Tax Fund.

Vehicle Sales Tax

This is a tax on the purchase of any new or used motor vehicle or trailer. The tax is authorized by Section 144.070, RSMo. The tax rate is 3 percent. Prior to July 1, 2005, disposition of the tax was 50 percent to the General Fund and 50 percent to funds dedicated for highway and transportation use. These highway and transportation funds were the State Road Fund (74 percent), the State Transportation Fund (1 percent), and the agency fund, Fuel Local Deposit (FLOYD) (25 percent). The FLOYD Fund distributed its portion to cities and counties. Due to the passage of Constitutional Amendment 3, beginning in Fiscal Year 2006,

Fiscal Year 2004-2007 collections were restated.



the portion that was deposited to the General Fund will be deposited to the State Road Bond Fund in 25 percent increments. By Fiscal Year 2009, 100 percent of the proceeds that were previously deposited to the General Fund will be deposited to the State Road Bond Fund. Also beginning in Fiscal Year 2006, the allocation between funds dedicated for highway and transportation use will be the State Road Fund (73 percent), the State Transportation Fund (2 percent), and the agency fund, Fuel Tax and Bonds Non-State Fund (25 percent), which will continue to distribute its portion to cities and counties.

OTHER TAXES

County Private Car Tax

This is a tax imposed on freight line companies. The tax is authorized by Chapter 137, RSMo. Disposition of the tax is 99 percent to the counties in the state based on each county's percentage of main line track mileage to the aggregate total of the state and 1 percent to the General Fund. Seventy percent of the counties share is distributed to the school districts within each county and 30 percent to the county general revenue fund. Prior to the county distribution, six-tenths of 1 percent of the county private car tax is transferred to the Blind Pension Fund.

Tax Type	FY08 Amount Collected	Percent Increase/ Decrease from FY07
County Private Car	\$4,152,693	16.9 %
Estate	3,451,099	-42.2
Gaming Receipts	325,746,397	2.4
Property	28,945,756	9.7
Total Collections	\$362,295,945	2.3 %

Estate Tax

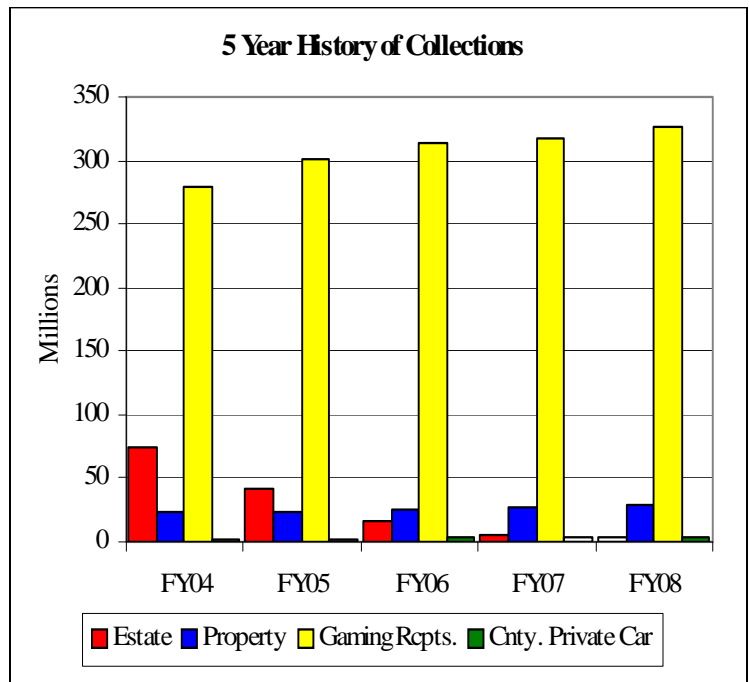
This is a tax on minimum credit for state death taxes allowed by the Internal Revenue Code Section 2011 (or Section 2015), against Federal Estate Tax. The tax is authorized by Chapter 145, RSMo. There is no statutory tax rate. Disposition of the tax is to the General Fund.

Gaming Gross Receipts Tax

This is a tax imposed on gaming riverboats. The tax is authorized by Section 313.822, RSMo. The tax rate is 20 percent of the adjusted gross receipts that gaming boats receive from gambling games. Disposition of the tax is 90 percent to the Gaming Proceeds for Education Fund and 10 percent to the home dock cities and counties.

Property Tax

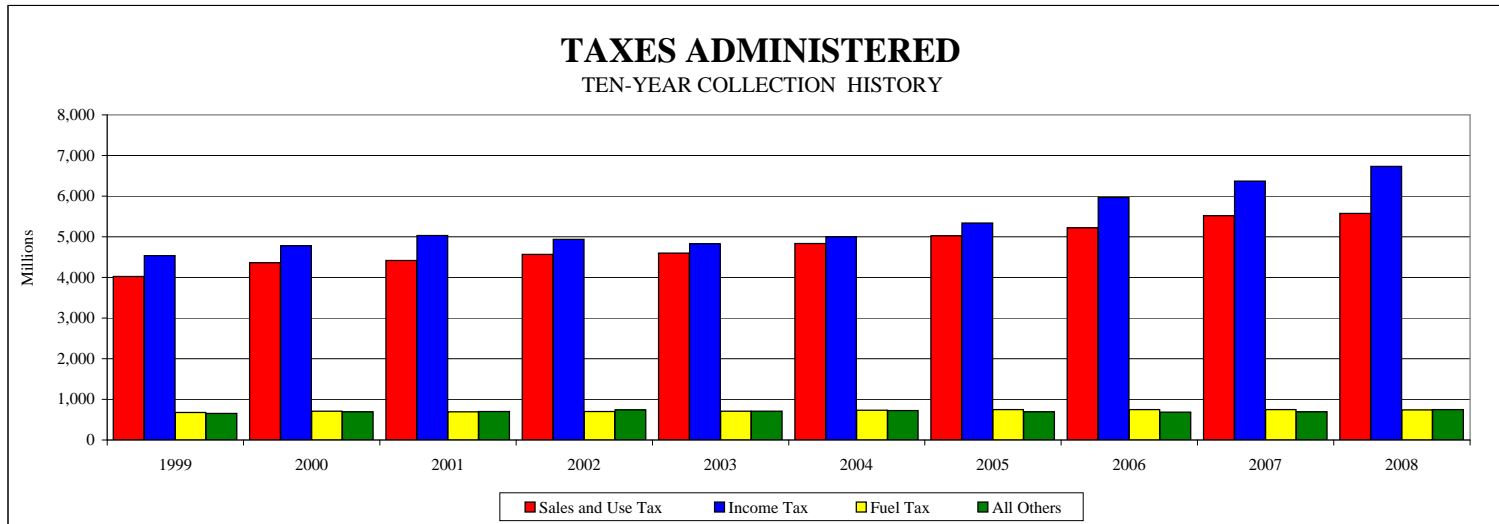
This is a tax to provide a fund for payment of pensions for the blind. The tax is authorized by Section 209.130, RSMo. The tax rate is 3 cents on each \$100 valuation of taxable property in the state of Missouri. Disposition of the tax is to the Blind Pension Fund.



**DEPARTMENT OF REVENUE
COLLECTION HISTORY OF TAXES ADMINISTERED
FOR THE LAST TEN FISCAL YEARS (1999 - 2008)**

TAX	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Cigarette Tax	\$ 115,661,014	115,394,219	118,205,378	117,161,445	116,753,263	115,285,370	113,827,189	115,390,098	119,608,106	120,342,908
Financial Institutions Tax	13,571,410	9,544,007	11,514,082	9,424,461	11,762,422	12,606,377	11,842,756	11,665,071	13,279,856	10,741,303
Fuel Tax	742,177,802	744,154,322	746,887,976	749,671,062	734,484,865	712,224,732	700,688,034	690,733,310	706,086,703	679,111,432
Income Tax	6,732,576,614	6,368,529,819	5,967,348,281	5,340,305,448	5,000,523,996	4,829,865,265	4,940,485,270	5,032,357,668	4,779,317,518	4,536,523,640
Insurance Tax	255,299,419	213,639,116	197,876,471	198,207,995	214,913,160	215,542,262	208,704,183	188,543,740	207,073,594	208,813,953
Local Sales and Use Tax	2,311,806,597	2,206,008,170	2,085,801,191	1,951,263,073	1,845,810,719	1,737,930,108	1,693,645,832	1,595,547,370	1,557,778,588	1,399,261,368
State Sales and Use Tax	3,266,917,096	3,317,153,244	3,134,827,683	3,075,820,029	2,990,126,281	2,857,287,766	2,875,985,621	2,820,905,536	2,805,480,819	2,622,749,909
Other Taxes	362,295,945	354,114,033	356,781,685	368,655,879	379,916,650	365,871,796	402,040,699	387,776,547	349,371,560	316,581,468
Total Tax Collections	\$ 13,800,305,897	13,328,536,930	12,619,242,747	11,810,509,392	11,294,291,356	10,846,613,676	10,947,219,584	10,842,919,340	10,537,996,744	9,894,125,981

Fiscal Years 2004 thru 2007 State Sales and Use Tax is restated. Fiscal Years 1999 thru 2003 were not restated because detailed information is not available.



**DEPARTMENT OF REVENUE
INCOME TAX SUMMARY OF ACTIVITIES
FOR THE LAST TEN FISCAL YEARS (1999 - 2008)**

TRANSACTION TYPE	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
INDIVIDUAL RETURNS:										
Number Filed (all types) (a)	3,080,945	2,973,095	2,858,736	2,857,809	2,829,031	3,555,011	3,346,033	3,377,662	3,413,134	2,892,646
Amount of Refunds	\$885,277,959	\$790,170,940	\$757,506,613	\$750,352,003	\$755,452,424	\$755,619,020	\$693,200,705	\$599,717,549	\$595,291,915	\$404,118,195
WITHHOLDING:										
Number Filed (a)	1,057,508	1,000,872	924,096	911,209	960,715	1,197,834	1,154,980	1,210,791	1,302,759	1,315,752
Amount of Refunds	\$8,873,329	\$10,761,684	\$4,393,804	\$3,486,035	\$5,047,283	\$13,335,560	\$9,305,759	\$5,666,488	\$8,299,945	\$7,362,381
FIDUCIARY:										
Number Filed (b)	54,648	49,159	41,580	32,771	49,565	43,694	55,568	55,568	52,750	50,880
Amount of Refunds	\$5,911,391	\$7,923,097	\$11,258,098	\$2,741,550	\$3,039,569	\$3,034,278	\$3,640,106	\$1,279,148	\$1,181,538	\$1,722,790
SENIOR CITIZENS TAX CREDITS (Includes Pharmaceutical Tax Credits):										
Number of Claims Filed (a)	246,713	213,915	243,750	251,292	254,641	257,336	272,578	305,400	216,072	138,248
Amount of Refunds	\$100,164,994	\$93,118,747	\$96,092,375	\$99,597,933	\$95,761,841	\$100,917,481	\$149,587,723	\$177,433,230	\$56,834,420	\$52,351,206
CORPORATION RETURNS:										
Number Filed (a)	157,819	159,234	156,008	138,294	147,859	80,747	141,805	191,863	208,238	195,857
Amount of Refunds	\$150,611,603	\$172,367,321	\$195,724,137	\$145,011,199	\$116,499,019	\$172,195,167	\$159,538,206	\$138,363,773	\$189,525,763	\$172,791,724
TOTAL (Memorandum Only):										
Number Filed (all types)	4,597,633	4,396,275	4,224,170	4,191,375	4,241,811	5,134,622	4,970,964	5,141,284	5,192,953	4,593,383
Amount of Refunds (all types)	\$1,150,839,276	\$1,074,341,789	\$1,064,975,027	\$1,001,188,720	\$975,800,136	\$1,045,101,506	\$1,015,272,499	\$922,460,188	\$851,133,581	\$638,346,296

(a) Fiscal Year 2004 -2007 numbers were restated.
(b) Fiscal Year 2006 and 2007 numbers were restated.

