Thanks!
To the Department of Elementary and Secondary Education, Office of College and Career Readiness for reviewing and making suggestions to the content of this guide.
Introduction

This taxpayer’s guide will provide you with basic information about taxes in Missouri. Every citizen pays taxes, so it’s important for you to understand why taxes are collected, from what sources the taxes are generated, and the ways in which the tax money is spent. It is also important to understand the processes used in calculating and collecting the money from the various tax revenue sources that are designated by law throughout the state.

Why do citizens have to pay taxes?

Our local, state, and federal governments support many public programs and services. How did you get to school this morning? Did you travel on a public road? When you arrived did you find your school building sufficiently heated or cooled? Were staff preparing the activities for the coming day? Tax revenue pays for the roads, the school building, and the staff. As a citizen of the state of Missouri, you are expected to contribute taxes to pay for the services governments provide. These taxes are collected from a range of sources commonly called “tax types.” Common tax types include Income Tax, Sales Tax, and Real Property Tax. The following pages will provide more information on each type and how each type may affect your role as a taxpayer in the state of Missouri.
Where does the money come from?


Missouri’s 2014 Operating Budget

General Revenue $8,286,127,225
The main sources of General Revenue are:
  Individual Income Tax; Sales & Use Tax;
  Corporate Income Tax & Franchise Tax;
  Insurance Premiums Tax; and Liquor and Beer Tax

Federal Funds $9,372,391,597

Other $8,042,247,281

Other funds are resources dedicated to specific purposes. Examples include:
  Highway and Road; Conservation, Parks, Soil and Water

Total Available after Refunds $25,700,766,103
How is the money spent?

Distribution Of Taxes Per One Dollar

Social Services: 36.7¢
Education: 26.2¢
Transportation: 8.3¢
Mental Health: 6.3¢
Corrections & Public Safety: 5.2¢
Health & Senior Services: 4.3¢
*Other: 13¢

Econonic Development: 1.4¢
Statewide Leasing: 0.5¢
Labor & Industrial Relations: 0.5¢
Public Debt: 0.3¢
Insurance, Financial Institutions & Professional Registration: 0.2¢
The Missouri Budget

FY 2014 TOTAL OPERATING BUDGET

SOURCES OF FUNDS
Total Funds* $25,700,766,103

- General Revenue
  $8,286,127,225
  32.2%
- Federal
  $9,372,391,597
  36.5%
- Other
  $8,042,247,281
  31.3%

Governor’s Recommended Operating Budget - All Funds
Total Appropriations* $25,700,766,103

- Human Services
  $12,157,998,369
  47.3%
- Transportation
  $2,121,724,512
  8.2%
- All Other
  $2,973,475,634
  11.6%
- Corrections & Public Safety
  $1,344,779,554
  5.2%
- Judiciary, Elected Officials, & General Assembly
  $381,716,906
  1.5%
- Higher Education
  $1,204,257,517
  4.7%
- Elementary and Secondary Education
  $5,516,813,611
  21.5%

*Excludes refunds

# GENERAL REVENUE RECEIPTS AND ESTIMATES

<table>
<thead>
<tr>
<th>Collections</th>
<th>Actual Receipt FY 2012</th>
<th>Consensus Estimate FY 2013</th>
<th>Consensus Estimate FY 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Income Tax</td>
<td>$5,844,676,938</td>
<td>$6,103,000,000</td>
<td>$6,730,000,000</td>
</tr>
<tr>
<td>Sales and Use Tax</td>
<td>1,873,305,715</td>
<td>1,915,000,000</td>
<td>1,966,000,000</td>
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<tr>
<td>Corporate Income/Franchise Tax</td>
<td>502,854,351</td>
<td>485,000,000</td>
<td>477,000,000</td>
</tr>
<tr>
<td>County Foreign Insurance Tax</td>
<td>191,832,380</td>
<td>200,000,000</td>
<td>210,000,000</td>
</tr>
<tr>
<td>Liquor Tax</td>
<td>25,579,812</td>
<td>26,000,000</td>
<td>27,000,000</td>
</tr>
<tr>
<td>Beer Tax</td>
<td>8,151,881</td>
<td>8,300,000</td>
<td>8,400,000</td>
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<tr>
<td>Interest on Deposits and Investments</td>
<td>7,091,824</td>
<td>7,000,000</td>
<td>7,000,000</td>
</tr>
<tr>
<td>Federal Reimbursements</td>
<td>16,490,091</td>
<td>21,400,000</td>
<td>19,500,000</td>
</tr>
<tr>
<td>All Other Sources</td>
<td>149,293,401</td>
<td>206,000,000</td>
<td>155,600,000</td>
</tr>
<tr>
<td><strong>Total General Revenue Collections</strong></td>
<td>$8,619,276,393</td>
<td>$8,971,700,000</td>
<td>$9,240,500,000</td>
</tr>
<tr>
<td>Refunds</td>
<td>$(1,278,687,045)</td>
<td>$(1,280,000,000)</td>
<td>$(1,312,000,000)</td>
</tr>
<tr>
<td><strong>Net General Revenue Collections</strong></td>
<td>$7,340,589,348</td>
<td>$7,691,700,000</td>
<td>$7,928,500,000</td>
</tr>
<tr>
<td><strong>Net Growth Rate</strong></td>
<td>4.8%</td>
<td>3.1%</td>
<td></td>
</tr>
</tbody>
</table>

## FY 2014 CONSENSUS REVENUE ESTIMATE

Net General Revenue $7,928,500,000

- **Individual Income** $5,390,000,000 (68.0%)
- **Sales and Use** $1,931,000,000 (24.4%)
- **Corporate Income/Franchise** $342,000,000 (4.3%)
- **All Other Sources** $265,500,000 (3.3%)
History of the Department

The Missouri Department of Revenue was created in 1945 by the Missouri Constitution as the central collection agency for all state revenue. The Taxation Division administers Missouri’s tax laws. It processes and administers forms and reports for the collection of revenue due the state and local taxing jurisdictions.

The Taxation Division has four bureaus: the Business Tax Bureau, the Personal Tax Bureau, the Collections and Tax Assistance Bureau, and the Field Compliance Bureau. The Business Tax Bureau administers sales and use, financial institutions, insurance premiums, franchise, excise, cigarette and other tobacco products, motor fuel, corporate income and franchise, withholding, and county taxes and fees. The Personal Tax Bureau administers individual income, partnership, and fiduciary, as well as the property tax credit. The Collections and Tax Assistance Bureau provides tax assistance over the phone to individuals and businesses and collects unpaid tax liabilities. The Field Compliance Bureau audits businesses both in-state and out-of-state to ensure compliance with Missouri’s tax laws.

Source:
Tax funding is generated from various sources within the state.

**Personal Income Tax:**
- **Personal Income Tax** - The tax you pay on your personal income.
- **Withholding Tax** - Taxes withheld from an employee’s wages as a prepayment of income taxes.

**Business Tax:**
- **Corporate Income Tax** - A tax imposed on the income of corporations.
- **Corporate Franchise Tax** - Franchise tax is not based upon whether or not a corporation is a franchise. It is a tax based upon a corporation’s assets.
- **Sales Tax** - A tax imposed on the purchase price of tangible personal property or a taxable service sold at retail.
- **Use Tax** - A tax imposed on items purchased for use in Missouri that are not subject to sales tax. This generally occurs when an item is purchased outside the state or brought into Missouri or when an item is purchased from someone in Missouri that is not a retailer.
- **Cigarette and Other Tobacco Tax** - A tax on cigarettes and other tobacco products sold in the state.
- **Motor Fuel Tax** - Tax on gasoline, diesel fuel, kerosene, and blended fuel.
- **Tire and Battery Fees** - Fees imposed on the sale of new tires and batteries.
- **Financial Institution Tax** - Tax levied on banks and trust companies.

**Other Tax Types:**
- **Personal Property Tax** - A tax imposed by your local government (county or city) on items like cars and boats. This tax is paid to the county or city and not the Department of Revenue.
- **Real Property Taxes** - A tax imposed by your local government (county or city) on real property (land and buildings). Individuals pay the county or city for these taxes.
- **Fiduciary Tax** - A tax imposed on income earned by an estate or trust.
Income tax is the tax you pay on income you earn from your job and investments. In the United States, this tax began during the Civil War to help pay for the war. It became a permanent feature of the United States economy in 1913, when the Sixteenth Amendment to the United States Constitution was passed. Today, income tax pays for many key government functions at both state and federal levels.

Federal and state income tax laws require citizens to pay a percentage of their income for the services and programs provided by the government. The Internal Revenue Service (IRS) is the agency responsible for collecting the federal income tax, while the Missouri Department of Revenue is charged with collecting the state income tax. The state income tax rate is graduated from taxable income of $100 to $9,000 from 1.5 percent to 5.5 percent and is 6 percent for everything over $9,000.

Money collected from the income tax pays for everything from road and highway maintenance to education and military defense budgets. Without taxes, there would essentially be no government.
Process of Paying Income Taxes

Hire Date: January, next year

YOU ARE HIRED:
Voluntary Compliance Point #1: You should complete both a federal and state W-4 form to report your withholding allowances.

PAYCHECKS:
As you earn money, your employer uses the information YOU provided regarding tax deductions on the MO W-4 Form to determine how much tax to withhold from your pay for federal and state personal income taxes. Your employer sends the money withheld to the IRS and the department. FYI - if your employer withholds MORE money than you ultimately owe you get that money back (tax REFUND!). If you don’t have enough money withheld, you will have to pay the additional amount you owe by April 15 of the next year.

EMPLOYER:
Your employer sends a W-2 form to YOU and the IRS that reports the amount of money withheld from your paycheck. This information is tracked through your social security number.

DEADLINE FOR FILING YOUR TAXES:
Voluntary Compliance Point #2: You calculate your tax responsibility based on your taxable income (salary - tax deductions = taxable income). You claim any tax credits that you are eligible for to further reduce the money you owe to the government.

Taxable income is based on a “tax year” beginning January 1 and ending December 31. Applicable tax forms reporting the taxpayer’s taxable income are filed with the federal and state government no later than April 15 of the following year. Any additional tax payments owed by the taxpayer are also due on April 15. If the forms are not filed or payments made by the April 15 deadline, penalties and interest may be charged.
Withholding Tax

Withholding Tax – A prepayment of income tax

Typically, withholding is required to be done by an employer taking the tax out of the employee wages. Because both the IRS and the Department of Revenue have a “pay-as-you-earn” tax system, they expect to get their money regularly throughout the year as you make money. The withheld taxes are then paid by the employer to the government body that requires payment, and applied to the account of the employee. Requiring the employer to withhold taxes from wages ensures the taxes will be paid first, and will be paid on time as the government needs the funding to meet its obligations. The amount the employer withholds is a percentage determined by salary and the information the employee provides the employer on his or her W-4 form. The amount withheld and paid by the employer to the government is applied as a prepayment of income taxes and is refundable if it exceeds the income tax liability determined on filing the tax return. Employers must remit withholding taxes to the Department of Revenue.

<table>
<thead>
<tr>
<th>WITHHOLDING/DEDUCTIONS</th>
<th>CURRENT AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>FEDERAL WITHHOLDING</td>
<td>87.69</td>
</tr>
<tr>
<td>STATE WITHHOLDING</td>
<td>0.00</td>
</tr>
<tr>
<td>FED OASDI/EE or SOCIAL SECURITY</td>
<td>281.54</td>
</tr>
<tr>
<td>FED MED/EE or MEDICARE 401K</td>
<td>33.46</td>
</tr>
<tr>
<td>MEDICAL</td>
<td>96.92</td>
</tr>
</tbody>
</table>

Unemployment Tax

The Missouri Employment Security law requires employers to pay an unemployment security tax to the Division of Employment Security. The tax amount is based on the wages the employer has paid to an employee. This tax goes towards an insurance policy designed to protect the employee if he or she would become unemployed through no fault of their own. The employee may then receive unemployment benefits if they are determined eligible by the Division of Employment Security. This tax is paid only by the employer and is not deducted from the employee’s wages.
You are able to adjust the number of allowances for your situation to avoid having too much or not enough tax withheld. If you have several deductions on your tax return, you may want to claim more allowances on your W-4 to reduce the withholding taken from your pay and to receive more of your money now.

The more allowances you claim on your W-4, the less income tax will be withheld. You will have the most tax withheld if you claim zero allowances. To help you determine the correct number of allowances, you need to complete the eight-line federal and Missouri worksheets that are on top of the actual form you file. The worksheet questions take into account the number of dependents you have and whether you have a second job or working spouse.

If your allowances are figured accurately, when you file your federal and Missouri returns in April you should neither owe a great deal in taxes nor get back a large amount through refunds. Many people like getting a large refund, but that strategy is not necessarily to your advantage. The extra money you send to the federal and state governments is essentially an interest-free loan to them.
# Missouri Department of Revenue

## Employee’s Withholding Allowance Certificate

This certificate is for income tax withholding and child support enforcement purposes only. Type or print.

<table>
<thead>
<tr>
<th>Full Name</th>
<th>Social Security Number</th>
<th>Filing Status</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Single □</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Married □</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Head of Household □</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Home Address (Number and Street or Route)</th>
<th>City or Town</th>
<th>State</th>
<th>Zip Code</th>
</tr>
</thead>
</table>

| 1. Allowance For Yourself: Enter 1 for yourself if your filing status is single, married, or head of household. |
|                                                                                                               |
| 2. Allowance For Your Spouse: Does your spouse work? □ Yes □ No If Yes, enter 0. If no, enter 1 for your spouse. |
|                                                                                                               |
| 3. Allowance For Dependents: Enter the number of dependents you will claim on your tax return. Do not claim yourself or your spouse or dependents that your spouse has already claimed on his or her Form MO W-4. |
|                                                                                                               |
| 4. Additional Allowances: You may claim additional allowances if you itemize your deductions or have other state tax deductions or credits that lower your tax. Enter the number of additional allowances you would like to claim. |
|                                                                                                               |
| 5. Total Number Of Allowances You Are Claiming: Add Lines 1 through 4 and enter total here. |
|                                                                                                               |
| 6. Additional Withholding: If you expect to have a balance due (as a result of interest income, dividends, income from a part-time job, etc.) on your tax return, you may request your employer to withhold an additional amount of tax from each pay period. To calculate the amount needed, divide the amount of the expected balance due by the number of pay periods in a year. Enter the additional amount to be withheld each pay period here. |
|                                                                                                               |
| 7. Exempt Status: If you had a right to a refund of all of your Missouri income tax withheld last year because you had no tax liability and this year you expect a refund of all Missouri income tax withheld because you expect to have no tax liability, write “Exempt” on Line 7. See information below. |
|                                                                                                               |
| 8. If you meet the conditions set forth under the Servicemember Civil Relief Act, as amended by the Military Spouses Residency Relief Act and have no Missouri tax liability, write “Exempt” on line 8. See information below. |

Under penalties of perjury, I certify that I am entitled to the number of withholding allowances claimed on this certificate, or I am entitled to claim exempt status.

<table>
<thead>
<tr>
<th>Employee’s Signature (Form is not valid unless you sign it)</th>
<th>Date (MM/DD/YYYY)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Employer’s Name</th>
<th>Employer’s Address</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Date Services for Pay First Performed by Employee (MM/DD/YYYY)</th>
<th>Federal Employer I.D. Number</th>
<th>Missouri Tax Identification Number</th>
</tr>
</thead>
</table>
If you have too little tax withheld or have income from other sources with no tax withheld, you may be charged penalties for not withholding enough.

The easiest way to avoid penalties is to keep track of your federal and state withholding and file new W-4 forms to increase your withholding throughout the year. If you have income from other sources that do not withhold, you may need to pay estimated taxes to avoid the penalties.

Your withholding amount can be changed at any time, so check early and often to make sure that you are withholding the correct amount. You can calculate your yearly withholding by looking at the first paycheck of the year and multiplying your withholding amounts by the total number of pay periods.

If you calculated your withholding amount correctly and neither owed a lot or got a large refund when you filed your return, then you are on the mark. If you owed a lot or got a large refund, you will probably want to adjust your withholding by completing new W-4’s.

Another reason you may need to adjust withholding is if you anticipate your circumstances changing. Some common reasons to adjust withholding are if you get married or divorced, have a baby, your spouse’s work situation changes, or you add additional income through a second job or nonwage income (interest, dividends, etc.)

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**Checking and adjusting your withholding**

Try using the online withholding tax calculator to help you decide the correct amount.

Reading a Paycheck Stub

A typical paycheck has two parts: the actual check and a paycheck stub. Many employers no longer issue an actual check. Instead, they direct deposit the wages into a bank account that you designate. Many employers also issue the paycheck stub electronically. A paycheck stub lists the paycheck deductions as well as other important information including:

1. Personal Information – The employee’s full name and social security number.

2. Pay Period – The length of time for which an employee’s wages are calculated. Most are weekly, bi-weekly, twice a month, or monthly.

3. Gross Pay – The total amount of money earned during the pay period before deductions.

   • If a person earns an hourly wage, gross pay is calculated by multiplying the number of hours worked by the wage. For example, if a person works 40 hours in a pay period earning $6.25 per hour, his or her gross pay would be $250 ($6.25 x 40 hours).

   • If a person is on salary, earning a set amount for a specified time period, the gross pay is the salary amount divided by the specified time period. For example, if a person earns $24,000 per year and gets paid once a month, his or her gross pay would be $2,000 per month ($24,000 ÷ 12 months).

4. Net Pay – The amount of money remaining after all deductions have been taken from the gross pay earned during a pay period.

5. Deductions – The amount of money subtracted or deducted from the gross pay for mandatory systematic taxes, employee sponsored medical benefits, and retirement benefits.

6. Federal Withholding Tax – The amount required by law for employers to withhold from earned wages for income taxes.

   • The amount withheld depends on two things: the amount of money earned and the information provided by the employee on the Form MO W-4.

7. State Withholding Tax – The percentage deducted from an individual’s paycheck to assist in funding government agencies within the state.

   • The amount withheld depends on two things: the amount of money earned and the information provided on the Form MO W-4.

8. FICA (Federal Insurance Contribution Act) – This tax includes two separate taxes: Fed OASDI/EE or Social Security and Fed MED/EE or Medicare. These two taxes may be combined as one line item or itemized separately on the paycheck stub.
• Fed OASDI/EE (Federal Old Age Survivors Disability Insurance Employee Employment Tax) or Social Security Tax – the nation’s retirement program. This tax helps provide retirement income for the elderly and pays disability benefits. Social Security taxes are based on a percentage (6.2 percent) of the employee’s gross income. The employer matches the contribution made by the employee.

• Fed MED/EE (Federal Medicare Employee Employment Tax) or Medicare – the nation’s health care program for the elderly and the disabled. This tax provides hospital and medical insurance to those who qualify. Medicare taxes are based on a percentage (1.45 percent) of the employee’s gross income.

9. **Retirement Plan** – The amount an employee contributes each pay period to a retirement plan. A specified percentage of the contribution is often matched by the employer. This may be a 401K or a state or local retirement plan.

10. **Medical** – The amount taken from the employee's paycheck for medical benefits. This occurs when the employer has a medical plan for employees, but does not pay full coverage for his or her benefits.

11. **Year-to-Date** – Totals for all of the gross pay, net pay, and deductions that have been part of an individual’s paycheck from January 1 through the last day of the pay period indicated on the paycheck stub.
# Paycheck Stub

**BUSINESS NAME AND ADDRESS**
22 SAMPLE DRIVE
BILLINGS, MO 22222

**Paycheck Stub**

<table>
<thead>
<tr>
<th>BUSINESS NAME AND ADDRESS</th>
<th>045345</th>
<th>JOHN J. DOE</th>
<th>xxx-xx-9898</th>
<th>01/18/2011</th>
<th>02/01/2011</th>
<th>02/04/2011</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>EARNINGS</th>
<th>HOURS</th>
<th>RATE</th>
<th>CURRENT AMOUNT</th>
<th>WITHHOLDINGS/DEDUCTIONS</th>
<th>CURRENT AMOUNT</th>
<th>YEAR TO DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>REGULAR PAY</td>
<td>87.60</td>
<td>2307.69</td>
<td>(3)</td>
<td>FEDERAL WITHHOLDING</td>
<td>(6) 87.69</td>
<td>350.77</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>STATE WITHHOLDING</td>
<td>(7) 0.00</td>
<td>0.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>FED OASDI/FEE or SOCIAL</td>
<td>(8) 281.54</td>
<td>1126.15</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>SECURITY</td>
<td>(8) 33.46</td>
<td>133.85</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>FED MED/EE or MEDICARE</td>
<td>(9) 95.92</td>
<td>387.69</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>401K</td>
<td>(10)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>MEDICAL</td>
<td>(10)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CURRENT AMOUNT</th>
<th>CURRENT DEDUCTIONS</th>
<th>NET PAY</th>
<th>YTD EARNINGS</th>
<th>YTD DEDUCTIONS</th>
<th>YTD NET PAY</th>
<th>CHECK NO.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2307.69</td>
<td>499.62</td>
<td>1808.08</td>
<td>9230.77</td>
<td>1998.46</td>
<td>7232.31</td>
<td>48974</td>
</tr>
</tbody>
</table>
I received a W-2 Form from my employer, do I need to file a tax return?

Section 143.481, of the Missouri statutes, states the filing requirements of a Missouri resident and nonresident.

If you are a student and also working part-time, please check with your parents and discuss if they are claiming you as a dependent. This will impact the information you report on your tax return.

Filing Requirements
You do not have to file a Missouri income tax form or return if you are not required to file a federal return.
If you are required to file a federal return, you may not have to file a Missouri return if you:

• Are a resident and have less than $1,200 of Missouri adjusted gross income (AGI);
• Are a nonresident with less than $600 of Missouri income; or
• Your Missouri adjusted gross income is less than the amount of your standard deduction plus the exemption amount for your filing status.
If a taxpayer is claimed as a dependent on another person’s return, the standard deduction is the greater of $1,000 or the earned income for the year plus $350 up to the standard deduction amount.
Note: If you are not required to file a Missouri return, but you received a Form W-2 stating you had Missouri tax withheld, you may file your Missouri return to get a refund of your Missouri withholding. If you are not required to file a Missouri return and you do not anticipate an increase in income, you may change your Form MO W-4 to “exempt” so your employer will not withhold Missouri tax.

The following information is to be used as a quick reference for determining the minimum income level that would require a taxpayer to file both federal and Missouri income tax returns. The difference between federal and state requirements is the personal exemption amount.

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Federal AGI</th>
<th>Missouri AGI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>$10,000</td>
<td>$8,200</td>
</tr>
<tr>
<td>Single (Over 65)</td>
<td>$11,500</td>
<td>$9,700</td>
</tr>
<tr>
<td>Married Filing Jointly</td>
<td>$20,000</td>
<td>$16,400</td>
</tr>
<tr>
<td>Married Filing Jointly (1 over 65)</td>
<td>$21,200</td>
<td>$17,600</td>
</tr>
<tr>
<td>Married Filing Jointly (Both over 65)</td>
<td>$22,400</td>
<td>$18,800</td>
</tr>
<tr>
<td>Head of Household</td>
<td>$12,850</td>
<td>$12,450</td>
</tr>
<tr>
<td>Head of Household (over 65)</td>
<td>$14,350</td>
<td>$13,950</td>
</tr>
<tr>
<td>Married Filing Separate</td>
<td>$3,900</td>
<td>$2,100</td>
</tr>
</tbody>
</table>

AGI or Adjusted Gross Income is all income a taxpayer has received reduced by tax deductions or exemptions that are allowed by the state or federal government. Examples of tax deductions include health and retirement or certain business expenses. Tax exemptions are based on allowances for yourself and others who rely on your income.

*Please visit http://dor.mo.gov for the current information.*
<table>
<thead>
<tr>
<th>Income Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal adjusted gross income from 2013 federal return</td>
<td>...................................</td>
</tr>
<tr>
<td>Any state income tax refund included in your 2013 federal adjusted gross income</td>
<td>............................................</td>
</tr>
<tr>
<td>Total Missouri adjusted gross income</td>
<td>............................................................</td>
</tr>
<tr>
<td>Tax from federal return</td>
<td>............................................................</td>
</tr>
<tr>
<td>Household—older, blind, or claimed as a dependent</td>
<td>............................................................</td>
</tr>
<tr>
<td>Number of dependents you claimed on your Federal Form 1040 or 1040A, Line 6c</td>
<td>............................................................</td>
</tr>
<tr>
<td>Total Deductions</td>
<td>............................................................</td>
</tr>
<tr>
<td>Tax</td>
<td>............................................................</td>
</tr>
<tr>
<td>Missouri tax withheld from your Forms W-2 and Forms 1099</td>
<td>............................................................</td>
</tr>
<tr>
<td>Total Payments</td>
<td>............................................................</td>
</tr>
<tr>
<td>AMOUNT DUE</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

Form MO-1040A short form may be used if the taxpayer:
- Is married or single (filing status), but only one income earner, all earned in Missouri;
- Makes standard or itemized deductions;
- State income tax refund is included in federal income (if itemized last year);
- Is resident, nonresident, or part-year resident with 100 percent Missouri source income;
- Does not have any tax credits or modifications to income.
### Missouri’s Individual Income Tax Return Short Form

**Form MO-1040A**

**Last Name** | **First Name** | **Middle Initial** | **Deceased** | **Social Security Number** | **Software Vendor Code**
--- | --- | --- | --- | --- | ---

**Spouse’s Name**

**Present Address**

**City, Town, or Post Office, State, and Zip Code**

**Age 65 or Older**

**Blind**

**100% Disabled**

**Non-Obligated Spouse**

1. **Federal adjusted gross income from your 2013 federal return.** (See page 6 of the instructions.)
   
2. **Any state income tax refund included in your 2013 federal adjusted gross income.**
   
3. **Total Missouri adjusted gross income — Subtract Line 2 from Line 1.**

4. **Mark your filing status box below and enter the appropriate exemption amount on Line 4.**

   - A. **Single** — $2,100 (See Box B before checking.)
   - B. **Claimed as a dependent on another person’s federal return** — $0.00
   - C. **Married filing joint federal & combined Missouri** — $4,200
   - D. **Married filing separate** — $2,100
   - E. **Married filing separate (spouse NOT filing)** — $4,200
   - F. **Head of household** — $3,500
   - G. **Qualifying widow(er) with dependent child** — $3,500

5. **Tax from federal return (Do not enter federal income tax withheld).**

   - Enter this amount on Line 5 or $3,000, whichever is less.
   - If married filing combined, enter this amount on Line 5 or $10,000, whichever is less.

6. **Missouri standard deduction or itemized deductions.**

   - Single or Married Filing Separate — $6,100
   - Married Filing A Combined Return or Qualifying Widow(er) — $12,200.

7. **Number of dependents you claimed on your Federal Form 1040 or 1040A, Line 6c.**

   - (Do not include yourself or your spouse.)

8. **Long-term care insurance deduction**

9. **Total Deductions — Add Lines 4 through 8.**

10. **Missouri Taxable Income**

11. **Tax** — Use the tax table on the back of this form to figure the tax.

12. **Missouri tax withheld from your Forms W-2 and Forms 1099.** Attach copies of Form W-2 and Forms 1099...

13. **Any Missouri estimated tax payments made for 2013 (include overpayment from 2012 applied to 2013).**

14. **Total Payments — Add Lines 12 and 13.**

15. **If Line 14 (Total Payments) is more than Line 11 (Total Tax), enter the difference (amount of overpayment) here.**

16. **Amount from Line 15 that you want applied to your 2014 estimated tax.**

17. **Enter the amount of your donation in the trust fund boxes to the right. See the instructions for fund codes.**

18. **REFUND**

   - Subtract Lines 16 and 17 from Line 15 and enter here. This is your refund. Sign below and mail to:

   - **Department of Revenue, P.O. Box 500, Jefferson City, MO 65106-0500.**

   - Check the box if you want your refund issued on a debit card. See instructions for Line 18.

19. **AMOUNT DUE**

   - If Line 14 is less than Line 11, enter the difference here. You have an amount due.

   - Sign below and mail to: **Department of Revenue, P.O. Box 329, Jefferson City, MO 65107-0329.**

   - See instructions for Line 19.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which he or she has any knowledge. As provided in Chapter 144, RSMo, a penalty of up to $500 shall be imposed on any individual who files a frivolous return. I also declare under penalties of perjury that I employ no illegal or unauthorized aliens as defined under federal law and that I am not eligible for any tax exemption, credit or abatement if I employ such aliens.

I authorize the Director of Revenue or delegate to discuss my return and attachments with the preparer or any member of the preparer’s firm.

For Privacy Notice, see instructions.

**Signature**

**Date (MM/DD/YYYY)**

**Preparer’s Signature**

**FIRM, SSN, OR PTIN**

**E-mail Address**

**Preparer’s Phone**

**Preparer’s Address and Zip Code**

**Signature**

**Spouse’s Signature (if filing combined, BOTH must sign)**

**Date (MM/DD/YYYY)**

**Daytime Telephone**

**Preparer’s Address and Zip Code**

**Date (MM/DD/YYYY)**

**For Privacy Notice, see instructions.**

**MO-1040A (12-2013)**
General Information About Personal Tax Electronic Filing

Filing electronically is a fast growing alternative to mailing paper returns. The Missouri Department of Revenue received more than 2.3 million electronically filed returns in 2014. Convenience, accuracy, and the ability to direct deposit your refund are just a few of the reasons why electronic filing is becoming one of the Department's most popular filing methods.

E-file works in conjunction with the Internal Revenue Service's (IRS) Electronic Filing System. Taxpayers can e-file from a computer, or by using a tax preparer who is an approved Electronic Return Originator. The state return is transmitted to the IRS along with the federal return. When the federal return is accepted, an acknowledgment (electronic confirmation) is sent from the IRS. The IRS then transmits the state return information to the Department. When the state return is accepted, an acknowledgment is sent from the Department.

The Department has entered into an agreement with certain software providers to offer free online filing services to qualified Missouri taxpayers. This agreement is called Free File Alliance. Through this agreement, taxpayers can file their Federal and Missouri state income tax returns using approved software. Visit our website before doing your taxes to see who is participating in the Free File Alliance and to see if you can file your taxes for free.

Benefits of E-Filing:

- Convenience. You can electronically file 24 hours a day, 7 days a week.
- Security. Your tax return information is encrypted and transmitted over secure lines to ensure confidentiality.
- Accuracy. Electronically filed returns have 13 percent fewer errors than paper returns.
- Direct Deposit. You can have your refund direct deposited into your bank account.
- Proof of Filing. An acknowledgment is issued when your return is received and accepted.

http://dor.mo.gov/personal/individual/vendors.php#freeonline
**Interest and Penalty**

Interest is due on tax not paid on time. For calendar year 2014, interest is computed at 3 percent per year from the date due until the date paid. Additions to tax for failure to pay on time are assessed at 5 percent of the tax due. For failure to file on time, additions to tax of 5 percent per month, not to exceed 25 percent, are assessed.

**Keep Your Records**

Taxpayers should keep copies of tax returns and Form W-2 statements for four years.

**Common Mistakes on Missouri Individual Income Tax Returns**

1. The tax return is not signed.
3. The amount of Missouri tax withheld is not correct. City earnings tax and withholding to other states are erroneously claimed.
4. Calculation errors are made on the returns.
5. The amount of Federal tax withheld instead of the actual Federal tax liability is claimed as a deduction.
6. Federal Earned Income Credit is incorrectly claimed as a Federal tax deduction on Missouri returns.
7. The wrong filing status box is checked.
8. Total number of dependents claimed is incorrect. The filer incorrectly claimed self or spouse as dependent. The number of dependents is not indicated in the box provided on the tax return.
9. Missouri tax on taxable incomes over $9,000 is incorrectly calculated.
10. Estimated tax payments are not claimed on the return.
11. The primary taxpayer and spouse incomes do not equal total Missouri adjusted gross income. Income percentages are incorrectly calculated.
12. The amount of standard deduction claimed does not correspond to filing status. Many Federal Form 1040EZ filers incorrectly include their Federal personal exemption in the Missouri Standard Deduction on Form MO-1040A.
### Federal Individual Income Tax Return

#### Form 1040

**Department of the Treasury—Internal Revenue Service**

**U.S. Individual Income Tax Return**

**For the year Jan. 1–Dec. 31, 2013, or other tax year beginning**

**OMB No. 1545-0074**

**IRIS Use Only—Do not write or staple in this space.**

**See separate instructions.**

**Your first name and initial**

**Last name**

**Your social security number**

**If a joint return, spouse’s first name and initial**

**Last name**

**Spouse’s social security number**

**Home address (number and street), if you have a P.O. box, see instructions.**

**Apt. no.**

**City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).**

**Foreign country name**

**Foreign province/state/county**

**Foreign postal code**

**For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.**

#### Filing Status

- **Single**
- **Married filing jointly (even if only one had income)**
- **Married filing separately. Enter spouse’s SSN above and full name here.**
- **Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child’s name here.**
- **Qualifying widower(er) with dependent child**

#### Exemptions

- **Youself. If someone can claim you as a dependent, do not check box b.**
- **Spouse**

**Boxes checked on 6a and 6b. No. of children on 6c who:**

- **lived with you**
- **did not live with you due to divorce or separation** (see instructions)

**Dependants on 6c not entered above**

**Add numbers on lines above**

### Income

**Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.**

- **Wages, salaries, tips, etc. Attach Form(s) W-2**
- **Taxable interest. Attach Schedule B if required.**
- **Ordinary dividends. Attach Schedule B if required.**
- **Qualified dividends.**
- **Tax-exempt interest. Do not include on line 8a.**
- **IRA distributions.**
- **Pensions and annuities.**
- **Rent (see instructions).**
- **Unemployment compensation.**
- **Social security benefits.**
- **Other income. List type and amount**
- **Combine the amounts in the far right column for lines 7 through 21. This is your total income.**

**Specify the amounts in the far right column for lines 7 through 21. This is your adjusted gross income.**

**Educator expenses**

**Certain business expenses of reservists, performing artists, and fee-basis government officials.**

**Health savings account deduction.**

**Moving expenses.**

**Deductible part of self-employment tax.**

**Self-employed SEP, SIMPLE, and qualified plans.**

**Self-employed health insurance deduction.**

**Penalty on early withdrawal of savings.**

**Alimony paid.**

**IRA deduction.**

**Student loan interest deduction.**

**Tuition and fees.**

**Domestic production activities deduction.**

**Add lines 23 through 35. This is your adjusted gross income.**

**Subtract line 36 from line 22. This is your taxable income.**
### Federal Individual Income Tax Return

#### Sample

<table>
<thead>
<tr>
<th>Form 1040 (2013) Page 2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tax and Credits</strong></td>
</tr>
<tr>
<td>38a Amount from line 37 (adjusted gross income)</td>
</tr>
<tr>
<td>38b Check [ ] if you were born before January 2, 1949, [ ] blind. [ ] total boxes checked ≥ 38a</td>
</tr>
<tr>
<td><strong>Standard Deduction for—</strong></td>
</tr>
<tr>
<td>b</td>
</tr>
<tr>
<td>40 Subtract line 40 from line 38</td>
</tr>
<tr>
<td>41 Exemptions. If line 38 is $150,000 or less, multiply $3,960 by the number on line 6d. Otherwise, see instructions</td>
</tr>
<tr>
<td>42 Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-</td>
</tr>
<tr>
<td>43 Tax (see instructions). Check if any from: a</td>
</tr>
<tr>
<td>44 Alternative minimum tax (see instructions). Attach Form 6251</td>
</tr>
<tr>
<td>45 Add lines 44 and 45</td>
</tr>
<tr>
<td>46 Foreign tax credit. Attach Form 1116 if required</td>
</tr>
<tr>
<td>47 Credit for child and dependent care expenses. Attach Form 2441</td>
</tr>
<tr>
<td>48 Education credits from Form 8863, line 19</td>
</tr>
<tr>
<td>49 Retirement savings contributions credit. Attach Form 8880</td>
</tr>
<tr>
<td>50 Child tax credit. Attach Schedule 8812, if required</td>
</tr>
<tr>
<td>51 Residential energy credits. Attach Form 5695</td>
</tr>
<tr>
<td>52 Other credits from Form: a</td>
</tr>
<tr>
<td>53 Add lines 47 through 53. These are your total credits</td>
</tr>
<tr>
<td>54 Subtract line 54 from line 46. If line 54 is more than line 46, enter -0-</td>
</tr>
<tr>
<td><strong>Other Taxes</strong></td>
</tr>
<tr>
<td>56 Self-employment tax. Attach Schedule SE</td>
</tr>
<tr>
<td>57 Unreported social security and Medicare tax from Form: a</td>
</tr>
<tr>
<td>57 Additional tax on FAs, If you elected retirement plans, etc. Attach Form 5329 if required</td>
</tr>
<tr>
<td>58a Household employment taxes from Schedule H</td>
</tr>
<tr>
<td>58b First-time homebuyer credit repayment. Attach Form 8814 if required</td>
</tr>
<tr>
<td>59a Earned income credit (EIC)</td>
</tr>
<tr>
<td>60a Nonrefundable combat pay election</td>
</tr>
<tr>
<td>60b Additional child tax credit. Attach Schedule 8812</td>
</tr>
<tr>
<td>60c Household employment taxes from Schedule H</td>
</tr>
<tr>
<td>60d American opportunity credit from Form 8863, line 8</td>
</tr>
<tr>
<td>60e Reserved</td>
</tr>
<tr>
<td>61a Amount paid with request for extension to file</td>
</tr>
<tr>
<td>61b Excess social security and tier 1 RRTA tax withheld</td>
</tr>
<tr>
<td>62 Federal income tax withheld from Forms W-2 and 1099</td>
</tr>
<tr>
<td>62a Amount paid with request for extension to file</td>
</tr>
<tr>
<td>62b Excess social security and tier 1 RRTA tax withheld</td>
</tr>
<tr>
<td>62c Child tax credit. Attach Schedule 8812, if required</td>
</tr>
<tr>
<td>62d American opportunity credit from Form 8863, line 8</td>
</tr>
<tr>
<td>63 2013 estimated tax payments and amount applied from 2012 return</td>
</tr>
<tr>
<td>63a Amount of line 73 you want refunded to you. If Form 8888 is attached, check here</td>
</tr>
<tr>
<td>63b Nonrefundable combat pay election</td>
</tr>
<tr>
<td>64a Earned income credit (EIC)</td>
</tr>
<tr>
<td>64b Additional child tax credit. Attach Schedule 8812</td>
</tr>
<tr>
<td>65a Household employment taxes from Schedule H</td>
</tr>
<tr>
<td>66a American opportunity credit from Form 8863, line 8</td>
</tr>
<tr>
<td>68a Amount of line 78 you want applied to your 2014 estimated tax</td>
</tr>
<tr>
<td><strong>Refund</strong></td>
</tr>
<tr>
<td>70 Money you owe. Subtract line 72 from line 71. For details on how to pay, see instructions</td>
</tr>
<tr>
<td>70a Yes. Complete below.</td>
</tr>
<tr>
<td>70b No</td>
</tr>
<tr>
<td><strong>Amount You Owe</strong></td>
</tr>
<tr>
<td>71 Amount you owe. Subtract line 72 from line 71. For details on how to pay, see instructions</td>
</tr>
<tr>
<td><strong>Third Party Designee</strong></td>
</tr>
<tr>
<td>72 Estimated tax penalty (see instructions)</td>
</tr>
<tr>
<td><strong>Sign Here</strong></td>
</tr>
<tr>
<td>73 Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.</td>
</tr>
<tr>
<td>74a If Form 8888 is attached, check here</td>
</tr>
<tr>
<td>74b Nonrefundable combat pay election</td>
</tr>
<tr>
<td>75a Amount of line 75 you want applied to your 2014 estimated tax</td>
</tr>
<tr>
<td><strong>Paid Preparer Use Only</strong></td>
</tr>
<tr>
<td>76 Paid preparer’s name</td>
</tr>
<tr>
<td>77a Acknowledgment that you have received a copy of this return</td>
</tr>
<tr>
<td>78b PTIN</td>
</tr>
<tr>
<td><strong>Firm’s address</strong></td>
</tr>
</tbody>
</table>
| 79b Phone number | 81 Phone number | 82
Business Taxes
The Missouri Department of Revenue administers Missouri's business tax laws, and collects sales and use tax, withholding tax, motor fuel tax, cigarette tax, tire and battery fees, financial institutions tax, corporation income tax, and corporation franchise tax. Different types of businesses must register for different types of taxes.

Business Tax Registration

Business Registration Checklist located at http://www.business.mo.gov/businessregistrationchecklist.pdf provides helpful guidance when registering a Missouri business with the Department of Revenue.

As you prepare to register your business, please use this checklist to ensure that you have the information needed to successfully complete your registration. The links provided at the end of each section will take you to websites that can provide a more detailed explanation of the information required.

Name Check
• Check the availability of your desired business name with the Secretary of State’s office, http://www.sos.mo.gov/BusinessEntity

Ownership
• Ownership type - Review legal formation guidelines to select the proper business structure for you.
  http://www.missouribusiness.net/doingbusiness/legalform.pdf

Ownership types:
Sole owner  Partnership
Limited Partnership  Government
Trust  Corporation
Limited Liability Company  Estate
Indian Tribe  Religious Organization
Fraternal Organization  Labor Organization/Union
Association  Other Not-for-Profit
Limited Liability Partnership  Limited Liability Limited Partnership
Types of Business Ownership

Sole Proprietorship is a business owned by a single individual.

Partnership is one or more individuals, corporations or other entities under a partnership agreement joining together to own and operate a business. A general business partnership offers the benefit “pass through taxation.” This means that the business entity does not get taxed on the income, but the individual partner does. If you become a member of a business partnership, any profits from the partnership are taxed as your income.

Corporation is an association of individuals, created by law or under authority of law, having a continuous existence independent of the existences of its members, and powers and liabilities distinct from those of its members. General; Subchapter S; Foreign (non Missouri); or Close.

Limited Liability Companies (LLC) can be structured different ways, for example, disregarded entity, partnership, or corporation. Consult your lawyer or tax accountant to determine which one best fits your needs.

Non profit any social, civic, religious, political subdivision or educational organization may apply for a sales tax exemption by completing the proper forms with the Department.

Visit [http://dor.mo.gov](http://dor.mo.gov) to obtain Form 1746, Missouri Sales Tax Exemption Application.

Business Tax Types

Corporate Income Tax
Corporate tax refers to the tax on income of corporations. Rates of tax and the taxable base for corporations differ from those for individuals or other taxable entities.

Sales and Use Tax
In general, retail sales of items sold in Missouri are subject to state and local sales taxes. The person making retail sales is required to impose and collect the appropriate sales tax from the consumer on each purchase. The person making retail sales is then required to file Missouri sales tax returns and to pay the tax collected to the Missouri Department of Revenue.
The sales tax rate charged on each purchase is generally based on the location of the sale and can include both state and local sales taxes. The 4.225 percent state sales and use tax is distributed into four funds to finance portions of state government – General Revenue (3.0 percent), Conservation (0.125 percent), Education (1.0 percent), and Parks and Soils (0.10 percent).

Most non-food sales are subject to a state sales tax equal to 4.225 percent of the sales price. Local sales taxes are imposed in addition to the state sales tax and can include taxes imposed by counties, cities, and special taxing districts. For example, if a sale was made within a city that imposed a 1 percent sales tax, and a county that imposed a .5 percent sales tax, the total sales tax on the sale would equal 5.725 percent of the sales price.

The full sales tax rate in this jurisdiction consist of the state 4.225 percent and local 4.5 percent. That is tax 1. Tax 2 is the reduced food state rate of 1.225 percent and local 4.5 percent.

Counties, cities, and districts often increase, decrease, or create new sales taxes, and taxes sometimes expire. Based on a change made in one of these taxing districts, you may pay a different rate on purchases made at the same retail store over a period of time. Generally, a rate change cannot take effect until the start of a new quarter.

You can find the rates for each taxing district on our website at: [http://dor.mo.gov/business/sales/rates/](http://dor.mo.gov/business/sales/rates/).
There are many exceptions to the imposition of sales tax in Missouri. For example, a charitable organization, school, or political subdivision may not be subject to sales taxes on purchases.

Additional information regarding sales taxes may be found on our website at \texttt{http://dor.mo.gov/business/sales/}.

Missouri also imposes a use tax on items purchased for use in Missouri that are not subject to sales tax. This generally occurs when an item is purchased outside the state and brought into Missouri or when an item is purchased from someone in Missouri that is not a retailer.

Many internet or mail order purchases originate outside the state and are made by businesses that have no direct connection with the state of Missouri. If the company has no direct connection with the state, the Missouri Department of Revenue cannot require the company to collect and remit use tax. In those instances, the customer may be required to remit tax on the purchase.

If the total non-taxed purchases made in a calendar year exceed $2,000, the customer is required to file a return and remit tax on all purchases. You can find more information regarding filing and paying use tax on our website at: \texttt{http://dor.mo.gov/faq/business/use.php}.

**Cigarette and Other Tobacco Tax**

In addition to sales tax, a separate tax is collected on cigarettes and other tobacco products sold in the state. Money received from the tax is deposited in the State School Money Fund, the Health Initiatives Fund, and the Fair Share Fund. State law sets the tax per pack and calculates to 17 cents.

Typically a licensed wholesaler files the reports and pays the tax to the Department of Revenue each month. If a retailer or individual purchases cigarettes or other tobacco products directly from a manufacturer or non-licensed wholesaler, the retailer or individual must pay the tax to the Department.
Motor Fuel Tax
Missouri receives fuel tax of 17 cents per gallon on motor fuel (gasoline, diesel fuel, kerosene, and blended fuel) from licensed suppliers on a monthly basis. The tax is passed on to the ultimate consumer purchasing fuel at retail. The tax is distributed to the Missouri Department of Transportation, Missouri cities, and Missouri counties for road construction and maintenance. There are about 700 licensees, including suppliers, distributors, transporters, and terminal operators. Consumers may apply for a refund of the fuel tax when fuel is used in an exempt manner, such as off-road use like farming or construction.

Tire and Battery
Missouri statute imposes a fee of fifty cents ($.50) on the retail sale of new tires and a fee of fifty cents ($.50) on the sale of lead-acid batteries. The tire fee applies to the retail sale of all new tires designed for use on trailers and self-propelled vehicles not operated exclusively on tracks. The battery fee applies to the retail sale of batteries that contain lead and sulfuric acid with a nominal voltage of at least six volts and are of the type intended for use in motor vehicles and boats and vessels. The retailer collects the tax from the consumer and pays it to the Department of Revenue.

Financial Institution Tax
Financial Institution Tax is levied on banks and trust companies, credit institutions, savings and loan associations, and credit unions. Chapter 148 RSMo authorizes each tax, and each tax rate is 7 percent of net income. Banks and trust companies are also subject to a tax on assets computed the same, but instead of, the corporate franchise tax.
Personal Property Tax – a Local Tax
Personal property taxes on items like cars and boats are local taxes and usually levied by local government, at the municipal or county level. The property tax supports local education, police and fire protection, schools, and other local government services. Individuals pay the county or city directly for personal property taxes.

Real Property Tax – a Local Tax
Tax on real property is also levied by local government at the city, town, or county level. Rates vary across the state, between about 0.2 percent and 4 percent of the assessed home value. The assessment is made up of two components: the improvement or building value and the land or site value. The property tax is the main tax supporting local education, police and fire protection, local governments, some free medical services, and most other local infrastructure. Individuals pay the county or city directly for real property taxes.

Fiduciary Tax
Missouri imposes a fiduciary tax on income earned by an estate or trust. A fiduciary is an authorized agent, guardian, or some other assigned person that is charged with the care of an estate or trust. Fiduciary tax is imposed at the same rate as individual income tax pursuant to Missouri Revised Statute 143.061.
The IRS has an Understanding Taxes portal on their website that has a teacher site and a student site. The teacher site has lesson plans and supporting information to help with understanding the “hows and whys” of taxes.

The student site has interactive activities, tax tutorials, simulations, and assessments for a student to help understand taxes on the federal level. It breaks the topics down into modules and lessons for the student to work through at their own speed.

http://apps.irs.gov/app/understandingTaxes/index.jsp

Missouri Statutes regarding:
• Income Tax
  http://www.moga.mo.gov/STATUTES/C143.HTM
• Sales Tax
  http://www.moga.mo.gov/STATUTES/C144.HTM

Missouri Taxpayer Bill of Rights
http://dor.mo.gov/forms/3097.pdf

Missouri Business Portal
http://business.mo.gov/

Doing Business in Missouri: Basics
http://missouribusiness.net/article/doing-business-in-missouri-basics/

Business Registration Checklist

Online Business Registration
https://dors.mo.gov/tax/coreg/index.jsp

Register Your Business with Secretary of State
http://sos.mo.gov/business/corporations/startBusiness.asp

Employer Identification Number
Apply-for-an-Employer-Identification-Number-(EIN)-Online

Student Consumer Guide
Contact Information

Personal Tax ........................................ (573) 751-3505
Individual Income Tax ............................ income@dor.mo.gov
Property Tax Credit Claim ........ PropertyTaxCredit@dor.mo.gov
Fiduciary Tax ........................................ income@dor.mo.gov
Business Tax ........................................ (573) 751-3505
Business Tax Registration ...... businessstateregister@dor.mo.gov
Cigarette Tax ........................................ excise@dor.mo.gov
Corporate Franchise Tax ................ franchise@dor.mo.gov
Motor Fuel ............................................ excise@dor.mo.gov
Corporate Income Tax ....................... corporate@dor.mo.gov
Sales and Use Tax .............................. salesuse@dor.mo.gov
Employer Withholding Tax ........ withholding@dor.mo.gov

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