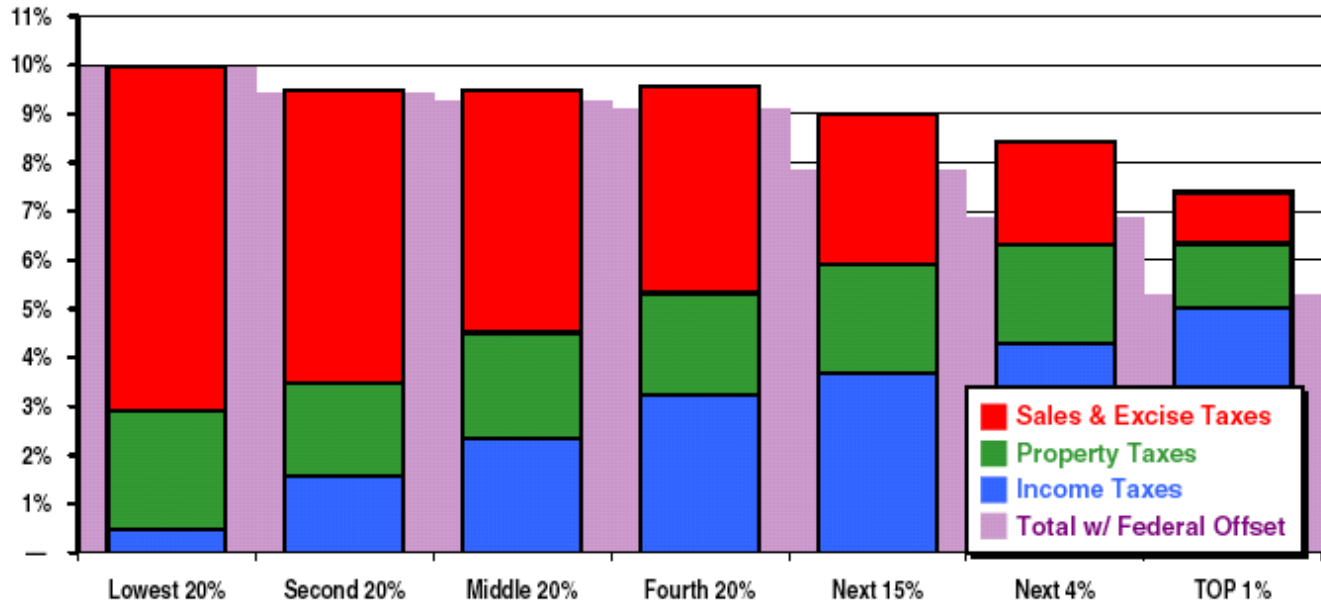


FACTS ABOUT MISSOURI'S TAX SYSTEM YOU SHOULD KNOW

#3 Missouri's Tax System is Inequitable — *THE TAX BURDEN OF MISSOURI TAXPAYERS*

Missouri State & Local Taxes in 2004

Shares of family income for non-elderly taxpayers



Income Group	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Top 20%		
					Next 15%	Next 4%	TOP 1%
Income Range	Less than \$16,000	\$16,000 – \$27,000	\$27,000 – \$44,000	\$44,000 – \$71,000	\$71,000 – \$128,000	\$128,000 – \$273,000	\$273,000 or more
Average Income in Group	\$10,000	\$21,000	\$35,000	\$57,000	\$92,000	\$174,000	\$685,000
Sales & Excise Taxes	7.1%	6.0%	5.0%	4.2%	3.1%	2.1%	1.1%
General Sales—Individuals	4.1%	3.7%	3.2%	2.8%	2.0%	1.4%	0.7%
Other Sales & Excise—Ind.	1.0%	0.7%	0.5%	0.4%	0.3%	0.2%	0.0%
Sales & Excise on Business	2.0%	1.6%	1.3%	1.1%	0.8%	0.5%	0.3%
Property Taxes	2.4%	1.9%	2.2%	2.1%	2.2%	2.0%	1.3%
Property Taxes on Families	2.4%	1.8%	2.1%	2.0%	2.1%	1.7%	0.8%
Other Property Taxes	0.1%	0.1%	0.1%	0.1%	0.2%	0.3%	0.5%
Income Taxes	0.5%	1.6%	2.3%	3.2%	3.7%	4.3%	5.0%
Personal Income Tax	0.5%	1.5%	2.3%	3.2%	3.7%	4.2%	4.9%
Corporate Income Tax	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%
TOTAL TAXES	10.0%	9.5%	9.5%	9.6%	9.0%	8.4%	7.4%
Federal Deduction Offset	-0.0%	-0.1%	-0.2%	-0.5%	-1.2%	-1.6%	-2.1%
TOTAL AFTER OFFSET	9.9%	9.4%	9.3%	9.1%	7.8%	6.9%	5.3%

Note: Table shows 2002 tax law at 2004 income levels.

Source: Institute on Economic Policy & Taxation