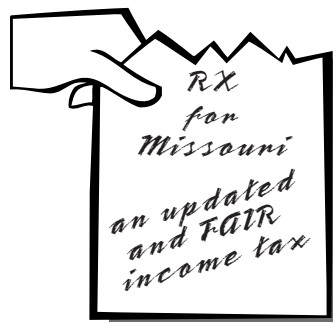


# Why Should Missouri Use a Graduated Personal Income Tax To Raise Needed Revenue?

- *Income taxes grow with the economy.*  
In the past decade, growth in personal income tax revenue has outpaced growth in personal income.

This growth can offset the slower growth of other major state revenues such as the sales and excise taxes and fees.

- The graduated personal income tax is the only major tax levied by the state based on the “ability to pay” equity principle.
- State income taxes are deductible on taxpayer’s federal income tax for itemizers.



Source: Institute on Taxation & Economic Policy