

# Missouri's Property Tax

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## Property Taxes

- In Missouri property tax is mainly a local tax:
  - County
  - Municipal
  - School District
  - Township
  - Special Districts
- There is a small state property tax

## Property Taxes

- Must be uniform on a class or subclass of subjects (Art. 10 sec. (3))
- Partial relief may be provided for:
  - Land exclusively for forestry
  - Redevelopment of blighted areas relief for 25 years (Sec.7)
- All jurisdictions must use the same assessed value for a given property (Sec. 11(a))

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## Property appraisal

- Generally taxable property is appraised at market value, but assessed at different rates.
- Agricultural real property is appraised at productive capacity, that is its agricultural value, not market value.

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## **Real Property Assessment**

- 19% Residential real property
- 12% Agricultural real property
- 32% Utility, industrial, commercial, railroad and other real property

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## **Missouri Agricultural Real Property Appraisal & Taxation**

- Grade of land
- Value of that grade of land based on economic factors
- Capitalization rate
- Assessed on 12% of appraised agricultural value

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## Tangible Personal Property Assessment

- 33.3% Most types of taxable tangible personal property
- 12% Livestock, farm machinery, poultry
- 0.5% Grain and crops
- 19% Manufactured homes
- 5% Historic vehicles and non-commercial aircraft

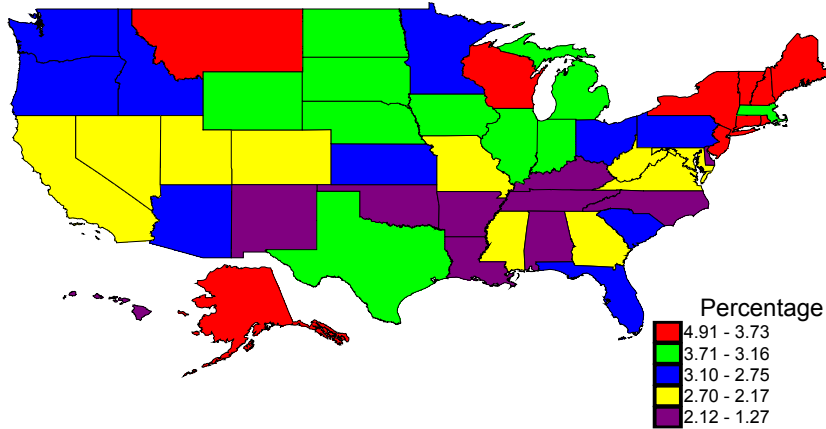
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## Property not taxed

- Not all types of property are taxed. Ones that are not:
  - Most individual personal property
  - Intangible property—  
financial assets

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## 2000 Property Taxes as a percentage of income



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<b>Property taxes, 2000</b>	<b>Tax as a % of Personal Income</b>
United States Average	<b>2.97%</b>
Median	<b>2.92%-2.94%</b> Oregon and Washington
Maximum	<b>4.91%</b> New Hampshire
Minimum	<b>1.27%</b> Alabama
Missouri Average and Rank	<b>2.21%</b> <b>39</b>
Missouri Average and Rank in 1997	2.13% 40

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## State rank on state and local property taxes as percentage of income

Arkansas	46
Kansas	23
Illinois	12
Indiana	14
Iowa	15
<b>Missouri</b>	<b>39</b>
Nebraska	17
Oklahoma	47
Tennessee	42

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## Regressive tax system:

### Property

- Lower income pay property tax in their rent
- Lower income have a higher % of their wealth in homes rather than in intangible property, which is not subject to property tax

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