Missouri

#9

Overall Rank	Corporate Tax Rank	Individual Income Tax Rank	Sales Tax Rank	Property Tax Rank	Unemployment Insurance Tax Rank
9 ▲ 3	3 ▲ 1	12 ▲ 4	26 –	13 ▼ 2	7 ▲ 1

IN THE 2027 *Index*

Missouri saw its overall rank improve from 12th to 9th this year, breaking into the *Index's* top 10. Part of this score increase came from conforming to the new and increased expensing provisions included in the OBBBA. Unlike Idaho, Indiana, and North Dakota, which fell behind, the Show-Me State resisted conforming to the exemptions for tipped and overtime pay, which would have narrowed its income tax base.

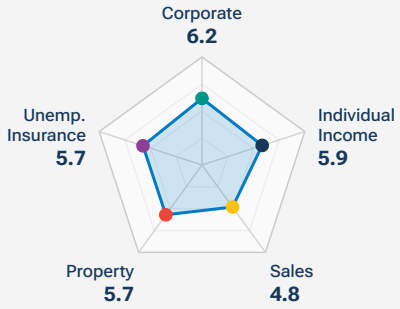
Missouri performs well overall on the *Index*, with an overall top 10 ranking, top 10 rankings on the corporate tax and UI tax components, and a competitive ranking on the property tax component. The Show Me State achieves this by applying low rates to broad bases in its individual and corporate income taxes, despite permitting local income taxes, which marginally increase the burden on workers in localities that impose this tax.

The state also avoids other harmful structural provisions such as a throwback rule, capital stock tax, inventory tax, gross receipts taxes, and estate or inheritance taxes.

Missouri's weakest performance is on the sales tax component due to a high combined state and average local rate that is the result of Missouri's average local rate being nearly as high as the statewide rate. Missouri's sales tax score nevertheless ranks near the middle of the pack, helped by a uniform state and local sales tax base and Missouri's avoidance of taxing many business inputs. Missouri, however, may find it hard to adapt its sales tax to a changing economy due to a voter-approved constitutional amendment restricting the broadening of the sales tax base.

Component scores

out of 10



Missouri and its neighbors

Overall rank, 2027 Index, with change from 2026

Tennessee	#8	–
Missouri	**#9**	▲ 3
Oklahoma	#15	▲ 4
Nebraska	#16	▲ 8
Iowa	#18	▼ 1
Kansas	#19	▲ 4
Kentucky	#26	▼ 1
Arkansas	#32	▼ 3
Illinois	#38	▲ 1