



# Senate Tax Bill Would Raise Taxes for Many Working Missourians: Rural, Poorer Counties Especially Hard Hit

**The United States Senate will soon consider a major revision of the U.S. tax code that would, by 2027, raise federal taxes on many low- and middle-income Missourians.**

In order to pay for permanent tax cuts for corporations, the bill would increase personal income tax rates after 2025 based on the “chained consumer price index” (a measure of inflation). As a result, in 2027, the bottom 60 percent of earners (or those with incomes of about \$87,000 or less) would see their taxes increase.<sup>1</sup>

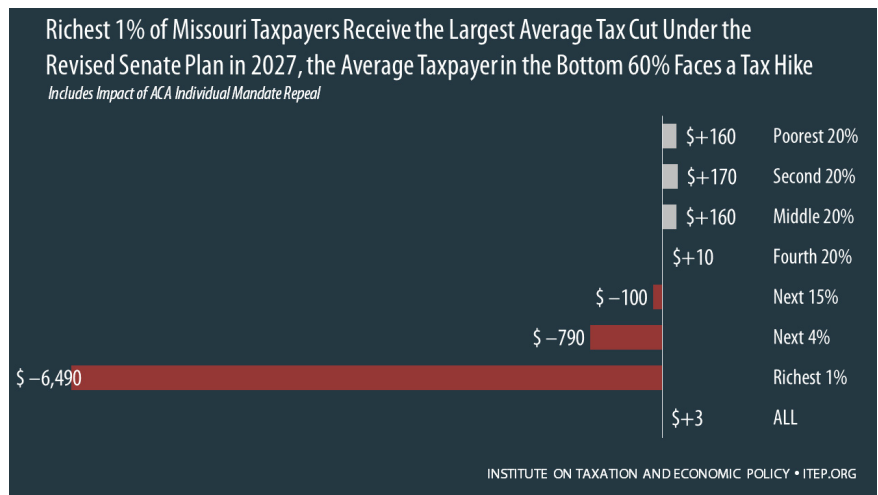
Three separate, independent, nonpartisan analyses examined the impact of the bill over time and each found similar results. **By 2027 Missourians will pay more overall in federal taxes, at the same time the federal deficit will increase.**

- The *Congressional Budget Office* found that by 2027 those earning up to \$75,000 per year would pay more in federal taxes than they do today.<sup>2</sup>
- Similarly, the *U.S. Congress’ Joint Committee on Taxation* analysis found that by 2027 those with incomes up to \$75,000 per year would face increased tax rates, while those with higher incomes would see their average tax rate drop compared to current law.<sup>3</sup>
- The *Institute on Taxation and Economic Policy* found that the average taxpayer in the bottom 60% of Missourians would face a tax increase by 2027.<sup>4</sup>

It is important to note that income breakdowns in Missouri counties do not directly reflect the breakdowns at the state level. That is, wealthier counties have more than their fair share of wealthy Missourians, and many counties have more residents at the lower end of the income scale.

Most Missourians have incomes below \$75,000 annually, and would on average pay higher taxes in 2027. While the top 20 percent would see an overall tax cut, that group is not represented equally across the state.

**As the chart on the following page illustrates, many counties, particularly in rural Missouri, have few high earning households. As such, overall tax increases would likely hit those areas especially hard.**



**Overall, while a windfall for corporations and the very wealthiest, Missouri taxpayers would actually owe more in federal taxes in 2027 than they do under current law.**

## IRS Statistics of Income (SOI) Data, Tax Year 2015

	Bottom 80%		Top 20%	
	<i># Returns</i>	<i>% of Returns</i>	<i># Returns</i>	<i>% of Returns</i>
<b>MISSOURI</b>	2,155,310	77%	632,260	23%
<b>Adair County</b>	7,980	84%	1,550	16%
<b>Andrew County</b>	6,180	74%	2,150	26%
<b>Atchison County</b>	1,980	78%	560	22%
<b>Audrain County</b>	8,930	84%	1,720	16%
<b>Barry County</b>	12,200	87%	1,870	13%
<b>Barton County</b>	4,340	86%	720	14%
<b>Bates County</b>	5,750	81%	1,310	19%
<b>Benton County</b>	6,890	88%	980	12%
<b>Bollinger County</b>	4,010	86%	630	14%
<b>Boone County</b>	59,460	76%	18,870	24%
<b>Buchanan County</b>	31,840	81%	7,310	19%
<b>Butler County</b>	15,010	85%	2,560	15%
<b>Caldwell County</b>	3,090	80%	760	20%
<b>Callaway County</b>	15,720	80%	3,870	20%
<b>Camden County</b>	15,990	80%	3,940	20%
<b>Cape Girardeau County</b>	27,220	77%	8,100	23%
<b>Carroll County</b>	3,340	81%	770	19%
<b>Carter County</b>	2,150	90%	250	10%
<b>Cass County</b>	34,600	72%	13,640	28%
<b>Cedar County</b>	4,800	88%	660	12%
<b>Chariton County</b>	2,840	82%	630	18%
<b>Christian County</b>	28,270	77%	8,410	23%
<b>Clark County</b>	2,380	83%	500	17%
<b>Clay County</b>	81,570	71%	33,840	29%
<b>Clinton County</b>	7,270	75%	2,430	25%
<b>Cole County</b>	27,510	76%	8,810	24%
<b>Cooper County</b>	6,040	80%	1,470	20%
<b>Crawford County</b>	8,850	87%	1,310	13%
<b>Dade County</b>	2,740	86%	440	14%
<b>Dallas County</b>	5,680	88%	800	12%
<b>Daviess County</b>	2,950	84%	570	16%
<b>DeKalb County</b>	3,290	80%	820	20%
<b>Dent County</b>	5,090	87%	790	13%
<b>Douglas County</b>	4,430	90%	480	10%
<b>Dunklin County</b>	10,060	87%	1,450	13%
<b>Franklin County</b>	38,640	78%	10,970	22%

<b>Gasconade County</b>	5,940	84%	1,150	16%
<b>Gentry County</b>	2,350	84%	460	16%
<b>Greene County</b>	106,140	81%	24,240	19%
<b>Grundy County</b>	3,650	85%	620	15%
<b>Harrison County</b>	3,330	88%	440	12%
<b>Henry County</b>	7,770	83%	1,620	17%
<b>Hickory County</b>	3,130	90%	360	10%
<b>Holt County</b>	1,730	81%	400	19%
<b>Howard County</b>	3,570	82%	770	18%
<b>Howell County</b>	13,930	87%	2,160	13%
<b>Iron County</b>	3,370	88%	480	12%
<b>Jackson County</b>	260,230	79%	70,880	21%
<b>Jasper County</b>	43,320	84%	8,060	16%
<b>Jefferson County</b>	78,460	74%	27,000	26%
<b>Johnson County</b>	17,680	79%	4,680	21%
<b>Knox County</b>	1,480	89%	190	11%
<b>Laclede County</b>	13,280	88%	1,840	12%
<b>Lafayette County</b>	11,710	79%	3,140	21%
<b>Lawrence County</b>	13,810	85%	2,360	15%
<b>Lewis County</b>	3,560	83%	710	17%
<b>Lincoln County</b>	19,280	77%	5,830	23%
<b>Linn County</b>	4,570	84%	880	16%
<b>Livingston County</b>	5,350	84%	1,050	16%
<b>McDonald County</b>	8,030	88%	1,080	12%
<b>Macon County</b>	5,850	84%	1,090	16%
<b>Madison County</b>	4,330	87%	650	13%
<b>Maries County</b>	3,170	85%	580	15%
<b>Marion County</b>	10,460	82%	2,350	18%
<b>Mercer County</b>	1,320	85%	230	15%
<b>Miller County</b>	9,070	87%	1,370	13%
<b>Mississippi County</b>	4,320	86%	700	14%
<b>Moniteau County</b>	5,450	82%	1,160	18%
<b>Monroe County</b>	3,240	84%	640	16%
<b>Montgomery County</b>	4,270	83%	880	17%
<b>Morgan County</b>	7,400	88%	1,050	12%
<b>New Madrid County</b>	5,830	83%	1,220	17%
<b>Newton County</b>	20,310	82%	4,330	18%
<b>Nodaway County</b>	6,950	81%	1,680	19%
<b>Oregon County</b>	3,380	89%	420	11%
<b>Osage County</b>	4,810	79%	1,280	21%
<b>Ozark County</b>	3,180	89%	380	11%

<b>Pemiscot County</b>	5,520	86%	930	14%
<b>Perry County</b>	7,300	81%	1,760	19%
<b>Pettis County</b>	15,760	85%	2,840	15%
<b>Phelps County</b>	14,710	81%	3,350	19%
<b>Pike County</b>	6,160	84%	1,210	16%
<b>Platte County</b>	31,120	65%	16,680	35%
<b>Polk County</b>	10,200	84%	1,880	16%
<b>Pulaski County</b>	15,390	84%	3,040	16%
<b>Putnam County</b>	1,810	88%	250	12%
<b>Ralls County</b>	3,720	79%	1,000	21%
<b>Randolph County</b>	8,670	84%	1,690	16%
<b>Ray County</b>	8,050	76%	2,480	24%
<b>Reynolds County</b>	2,150	88%	300	12%
<b>Ripley County</b>	4,570	90%	480	10%
<b>St. Charles County</b>	125,090	65%	66,450	35%
<b>St. Clair County</b>	3,150	87%	470	13%
<b>Ste. Genevieve County</b>	6,320	76%	1,960	24%
<b>St. Francois County</b>	21,610	84%	4,140	16%
<b>St. Louis County</b>	355,870	70%	149,000	30%
<b>Saline County</b>	8,270	84%	1,530	16%
<b>Schuyler County</b>	1,540	89%	190	11%
<b>Scotland County</b>	1,840	88%	260	12%
<b>Scott County</b>	14,310	83%	3,010	17%
<b>Shannon County</b>	2,800	92%	250	8%
<b>Shelby County</b>	2,490	85%	430	15%
<b>Stoddard County</b>	10,370	84%	2,000	16%
<b>Stone County</b>	11,470	82%	2,500	18%
<b>Sullivan County</b>	2,430	88%	320	12%
<b>Taney County</b>	21,580	88%	3,080	12%
<b>Texas County</b>	8,170	88%	1,130	12%
<b>Vernon County</b>	7,190	85%	1,270	15%
<b>Warren County</b>	11,820	76%	3,680	24%
<b>Washington County</b>	7,750	88%	1,040	12%
<b>Wayne County</b>	4,100	91%	420	9%
<b>Webster County</b>	12,530	83%	2,480	17%
<b>Worth County</b>	790	85%	140	15%
<b>Wright County</b>	6,230	90%	710	10%
<b>St. Louis City</b>	124,690	85%	21,650	15%

## Footnotes

1. Six More Things to Know About the Senate Tax Plan, available: <https://itep.org/sixmorethingsenate/>
2. See the Congressional Budget Office communication to Senator Hatch dated 11/27/2017, available: <https://www.cbo.gov/system/files/115th-congress-2017-2018/reports/53349-distributionalanalysisletter.pdf>
3. See the Joint Committee on Taxation analysis here: <https://www.jct.gov/publications.html?func=startdown&id=5044>
4. <https://itep.org/senatetaxplan/>